

HOUSE OF ASSEMBLY

Wednesday 3 December 1997

The **SPEAKER (Hon. J.K.G. Oswald)** took the Chair at 2 p.m. and read prayers.

SHOOTING BANS

A petition signed by 4 969 residents of South Australia requesting that the House urge the Government to ban the recreational shooting of ducks and quail was presented by Mr Atkinson.

Petition received.

GAMBLING

A petition signed by 315 residents of South Australia requesting that the House urge the Government to restrict any further development of gambling establishments was presented by Ms Key.

Petition received.

PAPERS TABLED

The following papers were laid on the table:

By the Minister for Government Enterprises (Hon. M.H. Armitage)—

Public Trustee—Report, 1996-97

Financial Supervision, South Australian Office of—
Report, 1996-97

Electoral Office, State—Report, 1996-97.

EDUCATION AND SCHOOL CLOSURES

The **Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training)**: I seek leave to make a ministerial statement.

Leave granted.

The **Hon. M.R. BUCKBY**: It is obvious from questions and notices of motions from the Opposition yesterday that the Opposition is still unclear about the Government's policy and approach to the provision of schooling throughout the State which, of necessity, includes amalgamations and closures of schools from time to time. The overall approach to managing the provision of schooling is to ensure that the best quality education possible is available using the most effective and efficient means.

The Government's policy commitment for this term unequivocally states that it is vital that every young South Australian is provided with the education and skills necessary to give them the best start in life. Investments in education are an investment in the future. South Australia's long-term prosperity and quality of life is critically dependent upon achieving excellence through education.

Achieving the goals this Government has set down for education involves ensuring that the resources available are used in the best possible way. This in turn means that as the demographics and the needs of a community change over time, so will the Government's provision of educational services need to change. I remind the House that this approach is no different from that used by the previous Labor Government.

In relation to the specific matter of school closures which, at times, has transfixed and blinkered the thinking of the Opposition about many other critical issues in education, such

as ensuring that all students acquire the basics of literacy and numeracy during their early years, I would like to spell out very clearly the Government's approach to amalgamations and closures. The Government will clearly not build a new school where none is needed, nor will the Government build a 1 000 student school if one for 300 is called for. That much is common sense, but it is also good management, good planning, and prudent and responsible use of taxpayers' money.

The very same principles will guide the Government in any future closures or amalgamations of schools. We will apply common sense, good management, good planning, and prudent and responsible use of taxpayers' money. If we have a school that was built for 1 000 students 20 or more years ago and only 300 now attend, then common sense tells us that the school is massively under utilised. The per capita cost per student is high and the building maintenance costs rapidly increasing. Nobody could argue that this school should not be subject to review, with the fundamental question to be asked: 'Are the students getting the quality and range of educational services at equivalent cost of nearby schools, or are the high costs of running this school depleting the educational resources available to all?' As well, when considered from the perspective of a district involving six or seven schools, for example, and each significantly under capacity, again common sense and good management lead to the conclusion that some change to the provision may be required.

The Government's policy commitment on school closures and amalgamations clearly states that closures will only be considered after a compulsory process of public consultation and if educational, as well as other factors, support this decision. If on the basis of the review, and fair and appropriate public consultation, the Government is of the view that the school is viable then common sense, good management and responsible use of taxpayers' money demands that the school remain open. On the other hand, if on the basis of the review and fair and appropriate public consultation the Government is of the view that the school is no longer viable then common sense, good management and responsible use of taxpayers' money demands that the school be amalgamated or closed. Any consequent sale of property will result in the proceeds being ploughed back into the local schools. This has been Government policy for the past four years. Many schools have benefited from this policy which is rock solid evidence of the Government's commitment to resourcing education as a key priority.

The final decision for the establishment of a new school, an amalgamation or a closure will be taken by me as Minister. That is my responsibility, as it would be the responsibility of any Labor Minister. I want to assure the House that I will use every means available to ensure that all stakeholders in the decisions I make receive fair and effective opportunities to provide advice and to participate in the process leading to the decision.

Finally, the emotive issue of how many schools and which schools are under threat of closure needs to be dealt with. There is no hit list. There is no magic number. The policy used by this Government on school closures is exactly the same as the previous Labor Government. Consistent with what I have already said, each situation is considered on its overall merits. There are schools in country areas, for instance, with fewer than 30 students that have to stay open, no matter what, and there could be two or three schools much bigger than this but relatively closer which may well need

amalgamating or closing to improve the educational opportunities for young people.

As I have said and will continue to say, there is no magic number that throws the closure switch. Providing high quality education is much more complex than this. In conclusion, I reiterate: the Government's policy during this term is that the number of closures and amalgamations will be minimal and fewer than the previous term. I invite the Opposition to work constructively with the Government to ensure that all children in this State receive the best education possible through the prudent use of available resources.

STORMWATER

The Hon. D.C. KOTZ (Minister for Environment and Heritage): I seek leave to make a ministerial statement.

Leave granted.

The Hon. D.C. KOTZ: I am sure that everyone in the Chamber understands that water quality is an important issue, and increasingly the community is realising that, to achieve results, a comprehensive approach is required. The Government has therefore released a community code of practice for stormwater pollution prevention, which it is hoped will significantly improve our stormwater quality. The community code of practice for stormwater pollution prevention addresses the prevention of stormwater pollution for all community sectors and is an important step towards achieving total catchment management.

The approach includes general community, service, businesses, building and industrial sites, and retail and commercial premises. The community code is the first in a series of four codes for stormwater management. Because of its general nature, three additional technical documents will also be made available, and these are presently in various phases of development. The four codes are bounded by four guiding principles, and the first and indeed the most basic aim is to reduce the amount of pollution. This is in keeping with the 'prevention is better than cure' focus of the code.

The code provides specific information on how each one of us can prevent stormwater pollution. The topics in that area include a waste disposal guide for householders, and environmentally friendly approaches to tasks such as outdoor cleaning, disposing of garden waste and the cleaning of cars. Other topics are appropriate to industry and include areas like site drainage, chemical storage, loading and unloading facilities, spills and clean-up procedures and pesticide usage. However, the code also recognises that non-stormwater discharges also play a role. Stormwater drains end up as a transport vector for waste water, rubbish, litter and other contaminants that can reasonably be prevented from entering the stormwater system.

The code was designed to specifically reduce pollution at its source. It is important to reduce and, where possible, eliminate the causes or source of stormwater pollution rather than treat the effects downstream. By controlling it at the source the polluter is directly responsible for pollution management, which greatly increases the possibility of introducing long-term permanent solutions. Lastly, the code recognises that stormwater is and could be further developed as an important resource. Better quality run-off increases the value of the water and its potential uses for recreational water bodies and alternative sources of water supply.

The key message is very simple: we must all take responsibility for stormwater quality through modifying our own personal actions. The basis of the code is simply that prevention is better than cure. I hope that the public docu-

ments made available through my department will be widely used as a tool to this end.

QUESTION TIME

CONSULTANTS

The Hon. M.D. RANN (Leader of the Opposition): Will the Premier explain what action was taken by the Crown Solicitor against officers in the Premier's Department who spent more than \$1 million employing consultants using processes which in many cases were found by the Auditor-General to be outside the law? The Auditor-General says that some of the Premier's Department contracts for consultants exceeded relevant legislation, and he referred these matters to the Crown Solicitor. The Auditor-General found that in many instances there was no record of the name of the consultant employed, the estimated cost of the contract nor the purpose of the consultancy.

He found that no documentation could be found to support the decision to waive the competitive tender process. He found there was little in the way of formal documentation supporting why a particular consultant was appointed. He found that contracts were signed by parties which did not have the legal status to enter into legally binding documents. He found there was no effective monitoring, management and control of the consultancies, and he found that consultants had been able to change the conditions of the original contract without any legal redress.

The Hon. J.W. OLSEN: This is the first year of the operation of new departmental guidelines, which are stricter than the Treasurer's instructions in relation to these matters. In some instances the department has not fully complied with these guidelines. The department is committed to persevere with these guidelines to improve the overall departmental performance in the important area of project management. Further training and support will be provided in 1997-98 to ensure that managers improve documentation and other matters concerning the respective transactions. From my very quick browse through the Auditor-General's Report, and not having had the opportunity to assess it in detail at this stage, I am encouraged by a number of the Auditor-General's comments that reflect on planning for the future. In looking at risk—

Mr Clarke: You wouldn't want to look to the past, would you?

The Hon. J.W. OLSEN: Well, if you would like to look to the past—I am glad the honourable member made that interjection—let us hear what the Auditor-General had to say about the Leader of the Opposition when he looked after Business Asia. I am pleased the honourable member asked for this through his interjection; I can give you—

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. OLSEN: I quote the Auditor-General as follows:

. . . it is Audit's view that insufficient regard was given to the prudent—

Members interjecting:

The SPEAKER: Order! The Leader of the Opposition asked a question of the Premier, seeking information. Interjections are out of order. If members interject and do not get a response, maybe the lesson will be learnt that they do not interject. The Premier will be heard in silence.

The Hon. J.W. OLSEN: Thank you, Mr Speaker. As I was saying, when as a Minister the Leader of the Opposition looked after Business Asia, the Auditor-General had this to say:

It is Audit's view that insufficient regard was given to the prudent principles of budgetary control and project accounting and reporting arrangements.

Members interjecting:

The Hon. J.W. OLSEN: If you want to interject I can talk about the comments made by the Auditor-General with respect to the Leader's performance as Minister and the oversight of his agencies, including the State Print consultancy, the Government car fleet and also the State Clothing Corporation. The Auditor-General's Report is an annual snapshot on practices and how to improve them in the future. I certainly welcome the references contained in the report.

STATE ECONOMY

Members interjecting:

The SPEAKER: Order! The member for Unley has the call.

Mr BRINDAL (Unley): Will the Premier provide a commentary on the recent assessments of the South Australian economy and, in particular, will he explain what they reveal with respect to his Government's strategy for rebuilding the State after the financial disaster left by the former Labor Government?

The Hon. J.W. OLSEN: At last we are seeing signs that the rebuilding strategies and policies that have been put in place over the past four years are starting to bear some fruit in the economic rejuvenation of South Australia. You have only to look at the South Australian Centre for Economic Studies report, the BankSA report, the Yellow Pages Small Business report and the SA Great report released today to see that every one of those reports, which are independent of Government, clearly indicates economic activity and growth in South Australia. We can add to that, given the Electricity Trust of South Australia's sales of electricity to small and medium enterprises. For the first time in a number of years we are seeing sales of electricity to small and medium enterprises growing at a rate of more than 3 per cent. That is an encouraging sign and a clear indicator of greater economic activity in the factories and on shop floors, and that has the capacity to create job opportunities in the future.

If members look at the recent reports of the Engineering Employers Association, the Retail Traders Association and the Motor Trade Association, they will see that motor vehicle sales (both new and used) are the best they have been for 10 years. I know that the Opposition does not want to hear good news such as that, but the facts speak for themselves. The Australian Hotels Association had its annual luncheon today, and many members of the Opposition attended. I hope they listened intently to the report of the President, who said that the occupancy rates in hotels had escalated 85 per cent plus in recent months and that the industry had experienced the best few months that it had had for many years, and this was brought about by the activities and policies of Australian Major Events in bringing national and international events to South Australia.

The spin-off effect of that is greater activity in the tourism industry and the accommodation and hospitality industry, and the spin-off effect of that is greater job creation, job certainty and job prospects for South Australians in the future. The range of reports that have been released during the past month clearly indicate that stabilisation of a State debt, putting in

place specific policy initiatives in industry sectors to give capacity for growth, and the way in which this Government has pursued at a national level major policy initiatives related to the automotive industry and the textile, clothing and footwear industry have put South Australia on the right track. The economic signposts of independent consultants—

Members interjecting:

The SPEAKER: Order! The Leader.

The Hon. J.W. OLSEN: Isn't it interesting? On the Opposition side we have the Leader and the member for Hart trying to outdo each other with interjections. I wondered why the member for Hart, having moved a little to the side and not progressed, a few people having jumped over him, started to get a little hairy chested with his interjections yesterday and today.

Mr Foley interjecting:

The Hon. J.W. OLSEN: You can interject all you like. The simple fact is that the economic indicators are starting to point in the right direction in South Australia, and this shows clearly that the policy settings that have been put in place are the right policy settings for South Australia.

The SPEAKER: Order! Before I call for the next question, I would like to relay a message to new members in the Chamber. It is the custom that new members not interject before their maiden speech if they expect to have the protection of the Chair during that speech. Some members may wish to take that advice on board, and perhaps the Whips would like to explain it to them in more detail.

ECONOMIC DEVELOPMENT AUTHORITY

Mr CLARKE (Ross Smith): My question is directed to the 'loser of the century'—sorry, to the Premier.

Members interjecting:

The SPEAKER: Order!

Mr CLARKE: Why did the Premier, as the then Minister—

Members interjecting:

The SPEAKER: Order on my right!

Mr CLARKE: —allow the Economic Development Authority to continue for more than two years to provide industry assistance money to private companies without adequate information and controls after the Auditor-General first raised concerns in 1995? The audit report for 1996-97 on the EDA is qualified because of 'weaknesses in the standard of documentation, records and database systems relating to provision of financial assistance to industry. . . ' (Supplementary Report, page 31).

The Auditor-General first approached the EDA in September 1995 regarding the need to improve information about and control over large-scale assistance to companies. The audit report states that the Government was not always able to verify that agreed arrangements and performance benchmarks had been achieved when companies sought ongoing support. The Auditor-General states that since 1995 there has been 'no advancement on the introduction of a formalised monitoring or reporting arrangement for these packages'.

The Hon. J.W. OLSEN: We continued the process inherited by the former Administration, and there should have been changes put in place. In fact, they are being put in place at this time.

COAG MEETING

The Hon. W.A. MATTHEW (Bright): Will the Premier inform the House of the significant work being undertaken by the States and the Federal Government following the recent Council of Australian Governments meeting? I understand that the substantial agenda for the COAG meeting covered a wide range of areas, including illicit drugs and environmental issues.

The Hon. J.W. OLSEN: The COAG meeting held on 7 November canvassed a range of very important measures. In relation to native title, COAG reiterated the importance of achieving effective reform of native title legislation. Regarding illicit drugs, the need for a strong, concerted action to address illicit drug use was agreed, with a national illicit drug strategy as the vehicle. The strategy aims to reduce both demand and supply of drugs and to minimise the harm that drugs cause. Measures to be developed by that strategy will include a more general community-wide education and information campaign; sentencing practices, including approaches to the diversion of users from jail to treatment; expansion of existing cost shared funding arrangements for treatment services; and improved cooperation between law enforcement agencies, at both the State and Federal levels. As a result of the debate at COAG, instead of the task force target teams all being located in Sydney, it has been agreed that one will be located in Western Australia and one in the Northern Territory.

COAG endorsed the Commonwealth international negotiating position on climate change and agreed to establish a high level working group to continue the development of a national greenhouse strategy. The proposed greenhouse gas emissions strategy will include encouraging reduction of residential emissions; the reduction of industry emissions, including through expansion of the Greenhouse Challenge Program; improving energy codes and standards; reducing transport emissions, including those from private cars; reducing energy sector emissions, including by accelerating energy market reform and encouraging the use of renewables; establishing and further enhancing carbon sinks and, in particular, the encouragement of plantation establishment; and reducing emission in the Commonwealth's own operations. That national strategy is to be finalised and agreed by the end of June 1998, and it is anticipated that a further COAG meeting will be held in the early part of next year, most likely to coincide with the Constitutional Convention.

In relation to environmental reforms, the heads of agreement on Commonwealth-State roles and responsibilities for the environment was endorsed in principle, and those reforms will include delivering more effective measures to protect the environment, remove duplication and result in a more efficient development approvals process.

In relation to gas reform, the National Gas Pipeline Access Agreement was signed off. South Australia will be the lead legislator to that third party access regime. An inter-governmental agreement on a national marine safety regime to reduce duplication, inconsistencies and cost of regulation across jurisdictions was also signed.

The heads of Government held the inaugural meeting of the Treaties Council on 7 November. This was a response from a number of the States expressing concern that the Commonwealth would sign off on treaties on an international basis, which would have an impact on the States, but the States were not involved or consulted on the content of those treaties. However, the Treaties Council looked at a range of measures: to support the Commonwealth efforts to promote

development of an optional protocol on the sale of children, child prostitution and child pornography under the United Nations Convention on the Rights of the Child; and to continue the collaborative approach to consideration of the costs and benefits of Australian accession to World Trade Organisation agreement on Government procurement. Such an agreement would have had significant impacts against South Australia. Also, the Commonwealth would maintain close consultation with the States and Territories in the lead-up to the December conclusion of the WTO Financial Services negotiations.

A number of other matters were raised in accordance with the Treaties Council, in addition taxation reform, the basis of which I responded to in a question to the House yesterday.

EDS BUILDING

Mr FOLEY (Hart): My question is directed to the Premier. By how much has the rent payable to the owners of the EDS Building on North Terrace been increased to compensate the company for delays in this project? According to the Auditor-General's Report, Cabinet originally approved the development on 24 October 1996, the day after the Department of Treasury and Finance advised against this decision. The Auditor-General points out in his report that this agreement involved, among other things, the following: no competitive tendering for selection of contractor and financier; an occupancy risk for the Government; no project evaluation of the proposal; no consultation with the Department of Treasury and Finance and the Public Works Committee of this Parliament; and certain provisions that did not appear to be on usual commercial contractual terms.

The Auditor-General's Report further states that on 28 July this year the Premier and his Cabinet approved changes to the terms of agreement for this development, including increased rental to Hansen Yuncken because of the delay caused by inadequacies in the initial process.

The Hon. J.W. OLSEN: What the Opposition does not want to concede is that the EDS contract to date has generated more than \$63 million in eligible economic development benefits for this State. EDS has directly contributed \$9.7 million towards the local IT industry in its first year which, coincidentally, is 40 per cent above the target set by the Government in the contract, and it has a work force of more than 600 people, with 200 transferred from the Government, and has met its four-year employment target set down in the first year. That is not a bad outcome from a contract, I would suggest, but we will not hear about that from the Opposition.

What we have is the EDS Building here on North Terrace, one of the most significant boulevards in South Australia, where we had a blight in the form of a derelict building that had sat there for years. But what do we have now? We have a new office block being constructed. Just look at the two cranes on the horizon down here. I know that must irritate the member for Hart, but there is some construction—

Mr Foley interjecting:

The Hon. J.W. OLSEN: Yes, the taxpayers are contributing for that.

Mr Foley interjecting:

The Hon. J.W. OLSEN: If the member for Hart wants to interject in relation to what taxpayers pay for, have a look at the Myer-Remm Centre. His Government contributed \$1 006 million, and what did we sell it for—\$151 million! That is the sort of deal that we inherited from the member for Hart and the former Bannon Labor Administration. That is the sort of responsibility that we have picked up in starting

to rebuild this economy in strategic industry sectors. What we are on about is rebuilding and rejuvenating the economy, looking at those industry sectors that have a real growth path in the course of this next 10 or 20 years, and putting in a foundation on which South Australia can grow, expand and create jobs for our young people in the future.

What the member for Hart chooses to ignore, of course, is the reduction in interest rates that we have seen in the course of the last year. Let us factor that into the rents, too. Let us factor that into the cost of the building, and that might dent or tarnish the question of the member for Hart. But there is no doubt that that contract has brought major economic benefits to South Australia. It has laid a foundation upon which we can be an IT player in the next century, and we have attracted one of the largest multinational companies to this State in building its Asia Pacific resource centre here. This is about creating industry sectors and about creating real jobs for our kids in the next century.

Mr Foley interjecting:

The SPEAKER: Order! If the member for Hart continues to interject when the Minister is replying, he may find himself not getting a question as a follow-up. The honourable member for Flinders.

Members interjecting:

The SPEAKER: Order! The same applies to the member for Ross Smith. The House will come to order. The member for Flinders.

ADELAIDE TO DARWIN RAILWAY

Mrs PENFOLD (Flinders): Can the Premier advise the House why the closing date for expressions of interest in the Adelaide to Darwin railway project was extended, and who made that decision?

The Hon. J.W. OLSEN: I am pleased to receive the question from the honourable member, given a report that I happened to see today suggesting that the change in the date was something that I had put in place. Let me set the record clear. The head of the South Australian Adelaide-Darwin rail project indicates to me that the extension of the deadline from 4 p.m. on Sunday 30 November to 4 p.m. on Monday 1 December was recommended to the Rail Corporation by the probity auditor. The reason for the one-day extension is to allow closure on a business day—not a Sunday—and the decision—

Members interjecting:

The Hon. J.W. OLSEN: If the Deputy Leader will wait, I will answer the question specifically instead of the interjection. As I said, the reason for that was to close on a business day. The decision to extend the deadline by one day was communicated to all consortia known to be bidding by the AAC on 25 November 1997. The extension was given not to favour any one party bidding for the project. I understand that the CEO will correct that by a letter to the Editor, indicating that the decision was made by this independent body advising the South Australian and Northern Territory Governments for all the good reasons, and it clearly answers the Deputy Leader of the Opposition's question—

Members interjecting:

The Hon. J.W. OLSEN: Well, it did: I just told you. Did you not listen? I said it was communicated by them on 25 November. The important point that cannot be destroyed is the fact that we have 30 consortia—60 companies—bidding for this project. As I said yesterday, this is far in excess of our expectations in terms of response and that can only augur well in getting an outcome for the Adelaide to Darwin rail

link, because it will achieve construction ahead of schedule and at lower cost in the best interests of taxpayers here and interstate. That project will be important for South Australia now and in the future, and I would simply ask all Parties to give us support and endorsement for a major piece of transport infrastructure that will be important in underpinning the economic rebuilding of this State.

EDS BUILDING

Mr FOLEY (Hart): In light of the Auditor-General's Report, will the Premier now detail to this Parliament the current level of taxpayer risk and expenditure as a result of Cabinet's final decision to proceed with the North Terrace EDS Building on 28 July this year?

An honourable member: Knock, knock!

Mr FOLEY: I will knock this one all the way through.

Members interjecting:

The SPEAKER: Order! The member for Hart has the call.

Members interjecting:

The SPEAKER: Order on my right!

Mr FOLEY: Thank you, Sir. Audit states that the Department of Treasury and Finance identified taxpayer risk such as failure to gain adequate occupancy levels. As the Premier would recall, documents leaked to the Opposition in November last year and read into this Parliament put the potential taxpayer exposure at up to \$32 million. The Auditor-General points out that the Government was forced to increase rent payable to the site owners for holding costs during extended negotiations. Premier, what is the public's risk and exposure now?

The SPEAKER: Order! Before the Premier responds, I point out to members that there is no need to ask a question at the beginning and at the end of the explanation. Otherwise you run the risk of not knowing which question the Minister is meant to answer. The honourable Premier.

The Hon. J.W. OLSEN: Thank you, Mr Speaker. Here we have an Opposition recycling questions of the last Parliament. It has nothing much new. I simply refer the member for Hart to the detailed ministerial statement I made to Parliament after Cabinet had finalised this matter. Just look up the records: it is on the parliamentary record. And, whilst we are talking about the Auditor-General's Report and the question from the Leader of the Opposition, the advice from the Crown Solicitor is that, as far as he is concerned, there are no matters that warrant further investigation, as alluded to—

Members interjecting:

The SPEAKER: Order! The Leader will come to order.

Members interjecting:

The Hon. J.W. OLSEN: Well!

Members interjecting:

The SPEAKER: The Leader will be silent.

The Hon. J.W. OLSEN: Well, that is an interesting interjection from the Leader of the Opposition.

The SPEAKER: The Premier will resume his seat.

The Hon. J.W. OLSEN: When you get rattled—

The SPEAKER: Order! The Premier will resume his seat.

It is most discourteous to the House and this Parliament for the Leader to continually interject after he has been called to order by the Chair. The Leader will be silent while the Premier responds. The honourable Premier.

The Hon. J.W. OLSEN: The interjection of the Leader of the Opposition is extraordinary in casting aspersions on a senior officer, no less than the Crown Solicitor.

Members interjecting:

The SPEAKER: That applies to the member for Hart as well.

The Hon. J.W. OLSEN: When you get rattled—
Members interjecting:

The SPEAKER: I caution the member for Hart for that interjection.

The Hon. J.W. OLSEN: When you get rattled, sometimes you throw these interjections in and you regret them afterwards, and I am sure the Leader of the Opposition will regret that. If not, I invite him to repeat the statement in other circumstances. But in relation to the Leader's question, let me say that as far as the Crown Solicitor is concerned there are no matters that warrant further investigation as alluded to by the Leader. He said his advice would have been in the terms of process and whether that was appropriate. I just point out that the majority of these were related to the South Australian Development Council, a body which I have disbanded.

FAULDINGS

Mrs HALL (Coles): Can the Minister for Industry, Trade and Tourism advise the House of recent moves by Fauldings to strengthen its operations in South Australia and the implications for job growth in the State's manufacturing sector?

The Hon. G.A. INGERSON: Yesterday, I briefly spoke about some important changes in the manufacturing industry, and today, as I noticed this morning, there was an important announcement by Fauldings in relation to consolidating the Salisbury site into a world-class manufacturing centre. Fauldings is a very significant company here in South Australia. It has been involved in the pharmaceutical manufacturing industry for many years and is strategically placed in the district of Salisbury. It employs some 300 people here in South Australia, and this expansion will add another 50 new jobs.

The development of Fauldings is supported by the Liberal Government, and it is a major expansion of its works and consolidation in South Australia. The company intends to invest some \$5 million next year to create the centre of excellence at Salisbury, a project which, as I have said, will create another 50 new jobs. This is another excellent good news story here in South Australia about manufacturing industry. It is a company that has had a long history of success, not only in research and development but also in supporting our universities. Fauldings, which is a very good corporate citizen here in South Australia, will now continue to develop. The reason given to us for the expansion is that there are excellent opportunities to develop the company here in South Australia; the background of the State is developing and they want to make sure that they can be part of the growth in manufacturing industry here in South Australia.

MEMBER FOR COLES

Ms HURLEY (Deputy Leader of the Opposition): Given the significant criticisms by the Auditor-General of a conflict of interest situation involving a parliamentary secretary who also chaired a committee which made decisions about a major construction project and sat on both an Estimates Committee and the Public Works Committee which examined the project, what inquiries did the Premier make to ensure that the member for Coles is a fit and proper person to serve as a Minister of the Crown?

The Hon. J.W. OLSEN: Well—
Members interjecting:

The SPEAKER: Order! The Premier has the call.

The Hon. J.W. OLSEN: The process of parliamentary secretaries, their responsibilities and the limit to those responsibilities will be corrected automatically with the legislation putting the new ministerial structure in place.

DTPa VACCINE

Mr BROKENSHIRE (Mawson): Will the Minister for Human Services advise the House of the current availability in South Australia of the new childhood vaccine DTPa? It is vital that South Australia maintains a high level of immunisations for the future health and well being of our young people. The vaccine to which I refer has recently been subjected to changed Commonwealth funding arrangements with many of my constituents in Mawson now concerned about its availability.

The Hon. DEAN BROWN: There is concern throughout the whole of Australia about the increased incidence of whooping cough and certainly the number of deaths of young children that has occurred as a result of that increase in its incidence. I know that there is considerable concern amongst health authorities throughout the whole of Australia about the reduction that has generally occurred in relation to vaccination for whooping cough. One of the reasons that reduction has occurred is the side effects of the traditional vaccine used by Governments around Australia and overseas. In fact, a new vaccine has been developed called DTPa (Infanrix) which is considerably more expensive than the old vaccine.

The Federal Government initially encouraged the adoption of the new vaccine throughout the whole of Australia for all five vaccinations for a young person. It is recommended that vaccination takes place at two months, four months, six months, 18 months, and between four and five years. There are five different vaccinations.

In September, the Federal Government withdrew funding for the more expensive vaccine for the first three vaccinations. In fact, every other State in Australia has reverted to the old vaccine for at least the first three vaccinations. In South Australia, we decided that we would provide the best medical care and vaccination procedure possible for young children, particularly to encourage parents to ensure that the vaccination took place so that the incidence of whooping cough was reduced.

The State Government bought an enormous quantity of the new vaccine, and we are providing the new vaccine which has minimal or no side effects at all for all five vaccinations that take place. The State Government is paying the additional cost over and above that which is provided by the Federal Government. The policy was put in place by my predecessor and I congratulate him for it. It is now clear that South Australia is maintaining a much higher level of vaccination for whooping cough than other States in Australia because we decided to go for the more expensive vaccine, which does not have the side effects of the cheaper vaccine and which is expected to be used for the first three vaccinations.

ANDERSON REPORT

Ms HURLEY (Deputy Leader of the Opposition): Does the Premier believe the claims made by Mr Dale Baker to the Anderson inquiry that the now Minister for Human Services and the Liberal Party President concocted evidence and conspired against Mr Baker; and does the Premier have complete confidence in the Minister for Human Services? Under section 10.3 of the—

Members interjecting:

The SPEAKER: Order!

Ms HURLEY: Under section 10.3 of the Anderson report entitled 'Political Conspiracy', Mr Baker says:

We're blaming Brown for the whole bloody lot, if you want to get that on the record.

Earlier Mr Baker had accused Mr Cameron of working with two other men 'to rig the whole thing after the event, or during the event with some of them, and have concocted some'.

Members interjecting:

The SPEAKER: Order on my right!

The Hon. J.W. OLSEN: In relation to the last component of the honourable member's question about confidence in the Minister, absolute confidence, yes. In relation to the Anderson report, it was tabled and members can draw their own conclusions.

FORESTS

Mr McEWEN (Gordon): Will the Minister for Government Enterprises state categorically that the State Government has no intention of selling the State's *pinus radiata* forests, and I refer to both the trees and the land? The State Government owns over 70 000 hectares of *pinus radiata* in my electorate and the neighbouring electorate of MacKillop. That 70 000 hectares underpins at least 4 000 jobs in the South-East, and recent studies have suggested that the Government should be increasing the plantations by harvesting replacement plus 2 000 hectares a year.

The Hon. M.H. ARMITAGE: I thank the member for Gordon for his question and I welcome him to the House. I have a sneaking suspicion that this may not be the only forestry question I get from the member for Gordon. During the recent State election the Government policy 'A Focus on Primary Industry' stated in relation to Government ownership, particularly forests, that the Government will continue to own the forests. I know that the member is very aware, because of his knowledge of the area, that the private sector plays a major role in the South Australian forests. Indeed, I know that the honourable member knows that it is a model of public and private sector cooperation.

It was interesting to hear that part of his explanation which talked about forestry expansion. As a Government we acknowledge that and, indeed, that is another example of the collaboration and cooperation between the public and private sectors where the forestry estate through both private and public endeavours will be expanded through a land acquisition program.

Another area where the public and private sectors collaborate to the betterment of the industry includes private land-holders. The business activities of the forestry area will now be driven by the needs of the forests, the industry and the community, and it will all be done within Government policy. I assure the honourable member and his constituents that the Government has every intention of continuing that tradition of collaboration between public and private sectors. I also assure him that we are absolutely committed to delivering a vibrant forestry industry which we know is so important to the South-East of South Australia.

GOVERNMENT LEADERSHIP

The Hon. M.D. RANN (Leader of the Opposition): Last week the Minister for Human Services told the media:

... the election result was a very clear statement of what people thought of the manner in which I had been dumped.

He also said:

Clearly, my dumping as Premier was unjust at the time.

Does the Minister have full confidence in the leadership now and in the future of the current Premier who told this House yesterday:

I have pursued a course in my own political career that nothing which is morally wrong can ever be politically right.

Do you trust him?

The SPEAKER: Order! Before calling the Minister, I point out that the content of that question has little to do with his ministerial responsibility, but it is entirely up to the Minister to answer the question if he so chooses.

An honourable member interjecting:

The SPEAKER: Order! The member for Heysen will come to order.

The Hon. DEAN BROWN: Mr Speaker, the answer is 'Yes.'

Members interjecting:

The SPEAKER: Order! The Chair was distracted slightly then, but I point out to members on both sides that the display of material in the House is totally against Standing Orders and will just not happen.

Mr Brokenshire interjecting:

The SPEAKER: Order! The member for Mawson will come to order.

CENTRE FOR PERFORMING ARTS

The Hon. R.B. SUCH (Fisher): My question is directed to the Minister for Education, Children's Services and Training and it relates to a project which is very dear to my heart, that is, the Centre for Performing Arts which will be named after the wonderful South Australian, Dame Roma Mitchell. I ask the Minister to provide an update on the progress of that exciting project.

The Hon. M.R. BUCKBY: I thank the honourable member for his question, and I know that he is extremely interested in the building of this centre. I am pleased to advise the House that demolition work has commenced on the site in Light Square and that the building of that structure will commence early next year, to be completed in 1999. The total estimated cost of the facility is \$23.7 million, and it will cater for acting, dance, design and technical production, painting and drawing, sculpture, print making, photography, design jewellery and ceramics.

It will allow the Centre for Performing Arts to better meet industry needs with annual intakes of students to core courses, increased productivity and the facilitation of the pursuit of excellence in arts training. In addition, it will enhance the developing arts precinct in the West End of the city and be a catalyst for expansion in our arts industry. This initiative reflects this Government's strong support for the arts and recognition of the key role this industry will continue to play in the State's future.

ANDERSON REPORT

Mr ATKINSON (Spence): Given the Government's insistence until yesterday that the Anderson report could not be released publicly under the Freedom of Information Act on the basis that it was an exempt document, will the Premier inform the House who was given access to the report after it was received by the Government, and did those persons

include Mr Richard Yeeles, a senior official with Western Mining and a witness to the Anderson inquiry?

An honourable member: Be careful.

The Hon. J.W. OLSEN: I do not have to be careful at all. As of yesterday the public of South Australia has the Anderson report.

The Hon. M.D. Rann: One witness was given a copy.

The Hon. J.W. OLSEN: That is not true.

Members interjecting:

The SPEAKER: Order! The House will come to order.

Members interjecting:

The SPEAKER: Order! The Minister is out of order.

Mr Foley interjecting:

The SPEAKER: Order! The member for Hart is out of order. We can sit here for the next 10 minutes until the House comes to order. I will not call for a question until the House comes to order.

WATER AND ELECTRICITY CONSERVATION

Mr SCALZI (Hartley): Will the Minister for Government Enterprises advise the House on whether South Australia has any need to conserve either water or electricity as we move into the hot summer months?

The Hon. M.H. ARMITAGE: There are 17 minutes left, and I promise not to take 17 minutes.

Members interjecting:

The Hon. M.H. ARMITAGE: I want to give an answer on the state of the reservoirs. I have been waiting for ages for this question and now it is my responsibility. I can report that at present, in relation to the first part of the question by the member for Hartley—and I thank him for asking me the question—we are, as everyone knows, the driest State in the driest continent, and at the moment the reservoirs are holding 58 per cent capacity (which is an average capacity), with individual reservoirs being between 35 and 80 per cent full. That means that the Murray River and the metropolitan reservoir holdings combined are being managed to provide sufficient supply. It may interest members to know that, with the dry seasonal conditions being predicted, it is expected that up to 80 per cent—

Members interjecting:

The Hon. M.H. ARMITAGE: It could be a dry or wet summer, but we think that it may be a drier one than usual because of El Nino. Because of that, up to 80 per cent of Adelaide's demand will be pumped from the Murray River this year, compared with about 40 per cent usually. It is a significant amount. Given that South Australians should not need to conserve water this summer, it is, however, important to acknowledge that we are a dry State, and obviously we are all interested in conserving water all the time. Therefore, whilst there will not be a need to ration water, conservation is important.

Electricity has been the subject of media speculation, and the Government is looking right now at the longer term capacity to supply a burgeoning demand because of the increasing demand for air-conditioning and so on. The answer to both questions is probably in the affirmative. The answer is 'Yes.'

Members interjecting:

The SPEAKER: Order! I remind members that they will refer to members opposite by their electorates and not by their names.

WILPENA TOURISM CENTRE

Mr CLARKE (Ross Smith): Given that the Auditor-General's Report found that the actions of the Minister for Tourism to expend public funds on the Wilpena Tourism Centre Development were unlawful, what action will the Premier take to ensure that all his Ministers, and in particular this Minister, carry out their oath of office to act lawfully and in accordance with the established procedures of the Parliament?

The Hon. G.A. INGERSON: We accept the comments made by the Auditor-General.

Mr Clarke interjecting:

The Hon. G.A. INGERSON: Perhaps you ought to find out who the Minister was and you will find out. As far as the process is concerned, clearly it was out of kilter when the payments were made and it will not happen again. I assure the House that that is the case. The thing that is important is that for something like 10 years nothing happened at Wilpena and, because the Government was prepared to sit down with the existing occupants and the leaseholders and organise an arrangement with them in terms of future development, we now have at Wilpena an international-standard development. Clearly we accept the Auditor-General's comments regarding the process and this action will not happen again.

GRAIN HARVEST

Mr VENNING (Schubert): My question is directed to the Minister for Primary Industries, Natural Resources and Regional Development.

Members interjecting:

Mr VENNING: At least I have not been dumped. As the South Australian grain harvest is now well and truly underway, will the Minister report on the harvest and the latest developments in the grain industry?

The Hon. R.G. KERIN: I thank the member for Custer, who has a keen interest in the grain industry.

Mr Clarke: Schubert.

The Hon. R.G. KERIN: Yes, the member for Schubert. I thank the honourable member for that.

Mr Clarke interjecting:

The SPEAKER: Order! Over the past two days members on both sides have continued to interject after the Chair has called for order. I ask the House for a fair go for those asking a question and for those members who want to hear the reply. It is easy for members to continue to interject and to keep the pattern going. The Chair is allowing some latitude for both questions and answers because we are into only the second day of the sitting, but I will not sit in the Chair with the Standing Orders before me and have members consistently interjecting after the Chair has called for order. If we continue in this pattern we will get nowhere as far as the workings of this Chamber are concerned.

Mr Clarke interjecting:

The SPEAKER: Order! Is the honourable member reflecting on the Chair?

Mr Clarke: No, Sir.

The SPEAKER: I hope not.

The Hon. R.G. KERIN: I will have another go. For those who cannot remember, the member for Schubert's question was about the grain harvest. Once again South Australian farmers have done an excellent job. This has been a very difficult season, with fires, floods, drought and pestilence—locusts and so on.

An honourable member: And it's our fault?

The Hon. R.G. KERIN: Well, yes. They have done an excellent job and, despite all the difficulties, we will finish very close to the five year rolling average for grain. That is a tribute to the way in which farmers have picked up on new technology and to the terrific job they have done. At the moment, despite some rather poor samples, the grain is flowing in and it looks as if the crop will be about average. The crop estimate for the State at the moment is about 4.8 million tonnes. Many members opposite might not realise that primary industries are extremely important to the State, contributing about 60 per cent of our exports. The State's grain growers are in an extremely progressive industry and are reinvesting in their future with major silo improvements at Gladstone, Loxton and Roseworthy as part of SACBH's overall strategic plan.

I recently had the opportunity to open a 90 000 tonne segregation shed at Gladstone. That is the second generation of low cost horizontal modular sheds, which are making an enormous difference to the way in which grain is stored. That gives Gladstone the capacity of 468 000 tonnes and it is now ranked the third largest storage in the State, even surpassing most of the export terminals. It was very noticeable that I announced the winning tenders for that at Gladstone in May, and to go back only six months later to open a 90 000 tonne shed shows what some terrific project management by SACBH, South Australian tenderers and builders can do. The SACBH's investment of \$10 million at Gladstone and similar amounts at the other grain storage sites is a boost to the State and regional economies, and the State Government certainly welcomes that; it is a welcome boost to the confidence of grain growers.

I should also mention SACBH's purchase of grain belts at the terminals. I commend the Treasurer and the Minister for Transport for finalising that deal, which places the important cargo loading facilities in the hands of SACBH. That move has certainly been applauded by the State's grain growers.

PARKS HIGH SCHOOL

Mr De LAINE (Price): Has the Premier reviewed the Government's decision to keep the Parks High School closed, and when will he inform me of the decision?

Members interjecting:

Mr De LAINE: You'd better get used to it. Prior to last Christmas (1996), the Premier gave an undertaking that he would review the decision to close the high school and let me know the outcome after Christmas. I wonder to which Christmas the Premier is referring.

The SPEAKER: Order! The honourable member is commenting. The Premier.

The Hon. J.W. OLSEN: The honourable member knows that a range of options is being considered for that location. When those options are fully explored and completed, I will advise him.

MURRAY RIVER

Mr LEWIS (Hammond): I direct my question to the Minister for Environment and Heritage. What action is the Government taking to ensure that all the diverse recreational users of the Murray River behave responsibly this summer? Increasing numbers of people are using the river for recreational purposes. This is well documented in many reports over recent years, although many of these users are incompatible—indeed, causing conflicts. I have received letters and

complaints from fishers, bird watchers and wildlife photographers about irresponsible power boaters and waterskiers cutting and entangling fishing lines and, conversely, other letters and reports of empty stubbies being thrown in front of boats and skiers, risking damage to the boat and property, and injury or death to the users. Hence my question.

The Hon. D.C. KOTZ: I thank the honourable member for his very important question, all the more because I know that everyone here recognises that the Murray is an extremely important resource on which we depend heavily for many aspects such as primary industries and in particular for drinking water. The fact is that, from the perspective of the quality of life of South Australians, the Murray River is vital. The Environmental Protection Authority is currently inspecting houseboats to ensure that they are disposing of human waste according to regulations and not directly into the river. As of 30 November, some 551 river boats have been inspected and, unfortunately, 38 privately owned houseboats were found to be in breach. The boat owners were notified by letter that they have three months to comply with the Environment Protection Act. Reflecting the seriousness of these breaches, the maximum penalty for deliberately discharging sewage into the river is \$4 000. Consequently, it is particularly relevant that all users of the Murray River be aware that they use a finite resource and, more importantly, that they use that resource appropriately and responsibly.

Within South Australia it is estimated that 700 to 800 houseboats are covered under the new Water Resources Act. As members would be aware, that Act introduces a management approach, where resources are viewed holistically and regulated within the context of a management plan. This is a big step forward from the previous Act, which had led to the outcome of focusing particularly on licensing rather than on ecologically sound management. So, in keeping with the theme of good management of houseboats, inspections commenced from 18 November and will continue through the month of December. The aims of the inspections are quite simple, being to ensure that the waste management systems on these craft comply with existing standards. Those that do not will be issued with environment protection orders, which will clearly set out the regulations and options for those who dispose of waste illegally. Those who are issued with the environment protection orders will have three months to comply with them.

The EPA will be distributing to every owner an information booklet that will clearly set out the regulations and options for disposing of waste. This process will have the additional benefit of providing a snapshot of the extent of the problems, and that can be used in the future to assess the resources required and then target them efficiently.

ADELAIDE AIRPORT

Mr KOUTSANTONIS (Peake): Will the Premier assure the House that he will not call on the Federal Minister for Transport to remove the curfew at Adelaide Airport once it is owned by a private consortium, as he has done in the past?

The Hon. J.W. OLSEN: I seek a clarification of the question, Mr Speaker, because I did not understand the first part.

The SPEAKER: Will the honourable member repeat his question?

Mr KOUTSANTONIS: I ask the Premier whether he can assure the House that he will not call upon the Federal Minister for Transport to remove the curfew currently in

place at Adelaide Airport once it is in the hands of a private company, as he has done in the past?

The Hon. J.W. OLSEN: In relation to the sale of Adelaide Airport currently being undertaken by the Commonwealth Government, the South Australian Government has made a series of representations to the Commonwealth to ensure that planning and environmental laws in this State apply to a private, leased airport operation over the course of the next 50 years. Negotiations are currently being pursued—

Members interjecting:

The Hon. J.W. OLSEN: All those matters are being pursued with the Commonwealth Government. This also includes Parafield Airport as a package in South Australia. Discussions to date with the Federal Minister for Finance have indicated that the Commonwealth has changed its position in relation to Parafield Airport from a freehold sale to a lease sale, as with Adelaide Airport. Currently four bids on the table are being considered in relation to the long-term lease of Adelaide Airport.

We are not privy to the provisions contained in the bids being presented to the Commonwealth Government by those four consortia, but we will seek further discussions with the Commonwealth to ascertain what is requested in those bids in terms of a whole range of planning, environmental and other measures. I hope to be in a position early next year to have further discussions with the Federal Minister for Finance to ascertain the basis of those bids. However, we will not relent from our position in negotiating with the Commonwealth to ensure that our planning and environmental laws are complied with by anyone who occupies Commonwealth land or any other measures that might comprise a component of the bids put forward by the bidders.

GRIEVANCE DEBATE

The SPEAKER: The question before the Chair is that the House note grievances.

Mr WRIGHT (Lee): Mr Speaker, I take this opportunity to congratulate you on your new position, and I wish you all the best for the future. I refer to the Queen Elizabeth Hospital. As members may know, the Queen Elizabeth Hospital was built in 1954, and its first operation comprised the maternity unit. I would like to congratulate the Queen Elizabeth Hospital on the wonderful open day which it held last Sunday. It was attended by many people from the north-western suburbs, and I was delighted to be there and to see how well the maternity unit is functioning.

The Queen Elizabeth Hospital has serviced the needs of the north-western suburbs for the past 43 years. It has been an icon for the people of the north-western suburbs, but recently the problems that have been occurring in the hospital, coupled with growth in suburbs such as West Lakes and the filling of the western suburbs, have caused a lot of anxiety. In particular, older people are suffering great stress because of the problems associated with the hospital. It is run down, and there are problems with hygiene, people waiting in beds in corridors, cleaning staff having to serve food, and the general facilities of the hospital, and there are long waiting lists. The list goes on.

This is simply not good enough for the people of the north-western suburbs. The population is ageing: there are

many people in nursing homes and there are many senior citizens' clubs. These are the very people who are very anxious about the current services of the hospital. During my period as a candidate, as I moved around the electorate I found that the most common issue that was raised with me by the community involved the status of the Queen Elizabeth Hospital—whether it would remain as a public hospital or whether, like the Modbury Hospital, it would be put into private hands.

Some 12 months ago, I was proud when the Leader of the Opposition on my behalf presented in this House a petition with over 2 000 signatures calling upon the Government immediately to conduct a major overhaul of the Queen Elizabeth Hospital. The people spoke loudly and clearly. There is a common need for the Queen Elizabeth Hospital to stay, not only as a major hospital in the western suburbs but also as a public hospital. The Queen Elizabeth Hospital should remain a public hospital. In the lead-up to the last State election, the Labor Party announced a \$115 million package to ensure the ongoing success of the Queen Elizabeth Hospital. That \$115 million would have been used to rebuild the public hospital at Woodville. If the Queen Elizabeth Hospital is to retain its current status, that commitment must be shared by this Government.

Over the weekend, something which came to my attention was a newsletter put out by the Medical Staff Society of the Queen Elizabeth Hospital. It is of great concern that the Chairperson of the Medical Staff Society (Dr Christopher Rowe) has made statements about the Queen Elizabeth Hospital that do us no great honour whatsoever. In this newsletter, Dr Rowe states:

... The Queen Elizabeth Hospital [is] no longer acceptable to the general public. Hospital staff cannot provide efficient twenty-first century health service in a hospital designed in the 1950s. Toilet and bathing facilities are inadequate and are an occupational hazard to nursing staff.

How can a hospital operate successfully if patients are not being cared for and nursing staff are not able to go about their regular duties in an orderly way? The Queen Elizabeth Hospital can no longer service the needs of the north-western community unless a major refurbishment takes place. The hospital is outdated. It has deteriorated to the extent that the patients have no confidence in the hospital. The Queen Elizabeth Hospital is no longer acceptable to the general public. When that is coupled with the fear regarding nursing homes—and there are many nursing homes in the north-western suburbs—we have a situation where the public health system is under great threat. Older people, in particular, and the whole of the north-western community are concerned about whether the Queen Elizabeth Hospital will continue to operate as a public hospital, as at present. We must take away that doubt from the people and ensure the ongoing success of the Q.E.H.

The SPEAKER: Order! The honourable member's time has expired.

Mr BROKENSHIRE (Mawson): Mr Speaker, I also take this opportunity to congratulate you on your new position, which I know you will perform with due diligence and great fairness. What I want to talk about today also relates to fairness. I refer to disability services, an area about which I confess I knew very little before I entered Parliament. However, it is an area in which I now have an enormous interest, because it affects both directly and indirectly a large percentage of the community of South Australia.

I congratulate the new Minister for Human Services, the member for Finnis, Dean Brown, on his commitment and desire to improve the position of people who need special care and their families in the area of disability services. I was interested to hear on the radio this morning the new Minister for Human Services say that he will go out to bat as hard as possible for a better share—indeed, an increase in funding—of the distribution of funds from the Federal Government for disability services.

I understand that possibly today or in the near future Dr Yeatman will put out a report which State Ministers and the Federal Minister have requested and which deals with the needs of people in the disability services area. I understand that that report identifies that nationally about \$295 million of additional money is needed to assist families that require special support. It has also been identified that in South Australia about \$30 million is required. Currently, the Liberal Government in South Australia is contributing \$104 million and the Federal Government about \$40 million—a total of about \$144 million. However, as I have often said to the members of my community, even if the Government's books were in good shape and we did not have the massive debt problems—of which we are all aware, which must be addressed and which every day cost us \$2 million that cannot go into special needs areas such as disability services—the fact is that all members of Parliament, irrespective of the colour of the member of Parliament, must make sure that they get in there and fight for extra resources for disability services.

I have three very healthy children, and I know how much energy and commitment it takes to be a parent, but a child with a disability demands much more commitment and energy from their family. When I have the opportunity, I love spending time with people with disabilities and their families because they have a real commitment to each other, something which I suggest the remainder of the community of this country could look at closely.

I estimate that the \$30 million that Dr Yeatman has identified in the report as being needed as additional money in this State would be only a start. I have said before publicly and I am happy to say again in this House that if we could find \$50 million to put into disability services we would only be starting to get the sort of respite care and accommodation and services that are required. So, it is incumbent on every member of this Parliament to work together to make sure that we never forget these people who need our support.

I am delighted to say that, whilst it is a sad indictment on what has happened in the parliamentary process over a number of years, this year is the first time for over a decade that any additional money has been put into this area. Members opposite tried to cop out and not accept the fact that, in real terms, they put zilch into increased funding in this area. They tried to cop out by saying that the Liberal Party delayed some of the funding into the disability services area. The fact of the matter is that, by the then Minister's prudent management (and I know that effort will increase with the current Minister for Human Services), we now have an additional \$16.4 million to go into this area.

I look forward to working with the community in my area and to supporting them, where possible, in their endeavours on behalf of those members of their family who have special needs. I encourage every member in this House to work on a bipartisan basis, and as a matter of urgency, to apprise the Federal Government—and, more particularly, Federal parliamentarians with the major responsibility in this area—of the need for increased funding in this regard. I commend

the carers and the support staff who work with these people and I look forward to supporting them.

Mr HANNA (Mitchell): On this my first opportunity of addressing the House, there are many issues which I should bring to its attention. However, in particular today I wish to alert members, and the public generally, to the issue of open space, which is of particular importance in the electorate of Mitchell. There are several sites within this electorate which are of critical importance not only to residents but to all those who value environmental protection rather than demolition. In particular, Glenthorne, which is the CSIRO land in O'Halloran Hill, is targeted for sale by the CSIRO for the benefit of Federal Government coffers, and I am concerned, as are local residents and many throughout the southern suburbs, that the Glenthorne land will become another housing estate, when it should be kept as open land for the enjoyment of not only local residents but all those who enjoy the hills face zone and the general amenity of the Trott Park, Bedford Park and O'Halloran Hill areas.

It is not just locals who are interested in this issue: it includes many of those people who have environmental concerns about Field Creek and the general green belt between the hills and the beach in the Hallett Cove region. The Labor Party, in the past election campaign, put \$4 million on the table to offer the Federal Government perhaps not the full market value but at least a fair price for the Glenthorne site so that it could be retained for community purposes and for the enjoyment of not only local residents but all those who might wish to go walking or use recreational facilities which ought to be placed on that site.

There is another site in the electorate of Mitchell which I wish to draw to the attention of the House, and that is the land known as Warriparinga. The name given to it by white society is Laffer's Triangle, because for about 112 years the Laffer family lived there in the homestead called Fairford House, and they farmed that area which is still, for the most part, kept as green and open space. That is the triangle of land bordered by South, Marion and Sturt Roads. Unfortunately, the Southern Expressway, despite whatever benefits the Government claims it might have, has already seriously damaged the amenity of that piece of land. I am concerned that additional building in Warriparinga will not only damage the ecology of the creek but take away the open space, the beauty of the place, which local residents and many others currently enjoy. It is also of special significance to the Kaurna people, those Aboriginal people who populated the Adelaide Plains—and that area, in particular—for so many thousands of years. It was a popular camp site, and there are significant archaeological remains in the vicinity.

A rally was held a couple of weeks ago, organised by a group known as the Friends of Warriparinga and it was highly successful. It was well organised and well attended. As a result of that and consequent publicity, 500 signatures were collected, and they will be contained in a petition that I will present to the House tomorrow.

The point is that there are alternatives if we are to have an office building proposed for Warriparinga. My understanding, based on comments made by the Premier prior to the election, is that an office building is planned for the area between the Sturt Creek and Marion Road. There is no need for an office building there. There are alternatives not only in the city but in the area known as the Marion domain immediately to the north of the Westfield development in Oaklands Park.

The DEPUTY SPEAKER: Order! The honourable member's time has expired.

Mr LEWIS (Hammond): There are three matters to which I wish to refer today. The first is the role and function of Parliament in society, and particularly in our society in Australia, as part of our federal system of Government. The two elements in that will become the subject of remarks that I make during the course of grievance debates and at any other opportunity I may have in this Parliament. In the first instance, I remind members of the great benefits that we have in the federation of this country and of the role and responsibility that we have as members of Parliament. They were, in part, referred to by the Auditor-General in his report, which we received yesterday, on the first day of sitting.

I draw attention, in the first instance, to the remarks made by the High Court in its ruling in the case of *R v Boston* in 1923. The High Court refused to acknowledge, by implication, that practice and convention could assert a new role at law for members of Parliament, when it stated:

What then is a member's duty? . . . in Australia the conception has its roots in the common law, which, through all phases of modification of parliamentary practice and control, has preserved the fundamental character of the position. Evolutionary modifications have certainly not diminished the obligations of members of the Legislature to the community.

To that extent, with respect to the Auditor-General's opinion, the duty of a member of Parliament, in part at least, is that of watching, on behalf of the general community, the conduct of the Executive, of criticising it and, if necessary, of calling it to account in the constitutional way by censure from his or her place in the Parliament.

I now turn to another matter of great interest to the public and to me, and that is the good work being done by Living Health earlier this year and continuing to the present time where, prior to the election, it contacted all members some seven or eight months ago and pointed out to us the work it was doing in the Sunsmart Club sponsorship program. I applaud that, in that it is drawing the attention of people to the necessity to protect themselves from the increasing intensity of ultraviolet radiation to which we are exposed these days as the ozone hole in the ionosphere extends. Whilst I applaud what it is doing and the money it is spending for the purpose of improving public awareness through that Sunsmart program, I ask: what about farmers and rural workers? I believe that they are, indeed, more at risk from excessive exposure to ultraviolet radiation, without sufficient knowledge of the consequences for themselves, than any other single class in our society.

If we wish to reduce the burden on our health budget, we must better inform them out on the farms. Whether they are farmers' spouses working in the paddocks or children helping out and going to and from school, we can do this in so many different ways. I am grateful to the Minister for his acknowledgment of my concern about that, and I trust that he will help me in getting Living Health to take an interest in and work with perhaps the South Australian Farmers Federation in addressing that very real problem. It will serve us not at all well to find our hospital beds filled with more people from rural areas than would otherwise have been necessary had we taken a more responsible view of this matter.

I wish now to turn to the good work done by Wally Sparrow, the journalist who writes about country music. I am a country music freak, and I disclose my interest in that respect as a member of the board of the South Australian Country Music Council. I wish to acknowledge the great deal of work done by Wally over the years locally as well as recently in his visit to the United States, where at his own expense he travelled widely across the States distributing a

large amount of information about South Australia, thereby improving public understanding of it in a large number of forums and, to that extent, enhancing our reputation as a tourist destination and as a place from which to get things. We have not only all those good things but outstanding talent in country music as well. Thank you, Wally.

Ms STEVENS (Elizabeth): Thank you, Mr Deputy Speaker, and I, too, would like to add my congratulations on your election to that office. I would like to describe my visit to the annual Quality Circle Conference at the Elizabeth plant of General Motors-Holden's and also to pay tribute to the work done by the automotive industry in running such events. Quality Circles are auspiced by the Federal Chamber of Automotive Industries and occur throughout the industry across Australia. On the day in question, Friday 14 November, seven teams presented the work they had done in this competition. These teams represented the Ford Motor Company of Australia, General Motors-Holden's Automotive Limited (obviously, at our plant), Mitsubishi Motors Australia Limited, Toyota Motor Corporation of Australia, Australian Automotive Air Pty Ltd, Flexidrive Industries Limited and Kemalex Plastics.

For those who do not know, the Quality Circles program is a quality improvement initiative that has been occurring in the automotive industry and its component industries for about eight years. At present, 800 quality circles are operating throughout those industries. The idea of a Quality Circle is that workers within a particular work site identify something in their plant's production that needs improvement, and work together as a team to analyse the problem, to work out strategies for its improvement, to carry those out, and then to evaluate those strategies and if successful, advocate for their adoption.

On this particular day, all those teams presented what they had done over the past six months or so and were judged by a panel of judges according to a set of criteria. It was a most informative and entertaining morning. It was great to see workers and management working together to make improvements in the manufacturing processes of those particular industries. It was good to see workers participating and taking pride in their achievements, and it was quite obvious there were benefits all round: benefits to the company in that processes were improved, and benefits to workers in that they led as well as taking part in this improvement and had had their suggestions accepted.

I believe that the automotive industry should be congratulated for this initiative of Quality Circles. The people concerned realised together that the risk to the whole industry by their not cooperating and by their not improving standards across the board was greater than the risk to them as individual competitors. They were able to work together, collaborate and share this sort of venture. In speaking about this matter, the General Manager of the Elizabeth plant, Rod Keane, made a number of points. He talked about the challenges to the automotive industry in Australia in the 1990s and about the fact that this industry has had to meet great challenges in order to achieve world competitiveness. He mentioned that all companies had come a long way and there is a culture now of innovation, continuous improvement and collaboration between management and workers at all levels, and this was certainly evident for all of us who watched those presentations.

A final point that Rod Keane made was that the image of the automotive industry still needs improving. He stated that the automotive and components industries now have work

forces as good as or better than any work forces in the world. But he said that this message still needs to get out. He made a special point of saying that politicians had a particular role to play in doing this. I would urge members if they ever have the opportunity to attend a Quality Circle conference to do so. I believe they would be as impressed as I was.

Mrs PENFOLD (Flinders): Yesterday I spoke briefly on one of our wonderful business success stories from the electorate of Flinders, and today I give the House yet another example of where a regional business leads Australia or, in this case, the world, by example. Port Lincoln is noted as Australia's premier fishing port because of the volume and value of seafood products produced there. A total of 65 per cent of the State's fishing product actually comes from this part of the State. Those who are successful in the fishing industry have been practising, exporting and value adding for years, with a very significant increase in the jobs available in regional South Australia, and particularly on Eyre Peninsula.

It is therefore fitting that one of these Port Lincoln fishing businesses won the AGRI business category of the 1997 South Australian export awards. The business in question is Australian Bluefin, headed by its President, Joe Puglisi, in partnership with Ron Waller. Joe is a pioneer in the tuna and prawn fishing and tuna farming industries. Mr Puglisi came to Port Lincoln with his brothers Bob and Mick in 1960 when tuna fishing was in its infancy. There was virtually no management of the industry in those early days. About a decade later, prawning started in Spencer Gulf. Those pioneering this fishery were very aware of the environmental and ecological issues that were a necessity in setting up a sustainable fishery. The Spencer Gulf prawn fishery was held up across the world as being a model for management of a renewable resource.

Joe Puglisi was one of the pioneers of prawning in Spencer Gulf before concentrating his interests on the tuna industry. His dedication to the environment long before that became popular and his vision have contributed to the sustainability and profitability of that industry. Pioneering must be followed with sound business practice if an industry is to survive. There is always considerable risk to such entrepreneurs. Joe Puglisi was one who saw the necessity of value adding by selling tuna on the sashimi market in Japan rather than relying on canning as a principal source of income, but the sashimi market is very selective: not just any fish, even if it is bluefin tuna, is acceptable.

Success in exporting depends on meeting the market rather than expecting the market to accept the product that is delivered. Special care must be taken to ensure the quality of the product. Mr Puglisi researched the market and developed customer contacts with Japanese companies. The company now exports to America, Europe and Japan, although Japan is still the main market. Regular visits to customer companies is a priority for Australian Bluefin. The visits to experience the culture of those countries to which the company exports are considered important.

The aim is to visit these destinations three to four times per year to keep up with changes and to forecast market opportunities. Due to dedicated business people in the fishing industry, the South Australian product is now as good as any other arriving in fastidious Japanese markets from around the world. The continuing effort to maintain the freshness of the product, coupled with streamlining the process of catching the tuna and getting it to market, is paying off.

When the average size of tuna being caught in the wild was smaller than the optimum size for the sashimi market,

and with mounting concern over tuna stocks, Mr Puglisi became one of the pioneers in tuna farming. Basically, the fish caught in the wild are herded into cages where they are grown out to a fish of high market value. This method now best utilises the fish available and optimises the return to the industry. The undertaking of tuna farming has not been without difficulty but, to a man of Mr Puglisi's stature, a difficulty is simply a problem to overcome, and that is what he has done. Research into the farming of tuna, including the production of artificially prepared food in place of pilchards, is an ongoing process. Management, the environment and ecology are all facets of the research being conducted. South Australia is recognised as being able to export fresh tuna—a very perishable commodity—as well as any other country in the world.

It is important for South Australian export businesses and for the State's economy that we are seen to be a State that understands the needs of our overseas customers. Australian Bluefin, through its principals Joe Puglisi and Ron Waller, knows what it is talking about. South Australia is well placed to export to Asia in particular. This advantage will be strengthened when the railway to Darwin is completed.

The SPEAKER: Order! The honourable member's time has expired.

SESSIONAL COMMITTEES

The Legislative Council notified its appointment of sessional committees.

STANDING COMMITTEES

The Legislative Council notified its appointment of standing committees.

MUTUAL RECOGNITION (SOUTH AUSTRALIA) (EXTENSION OF OPERATION) AMENDMENT BILL

The Hon. G.A. INGERSON (Deputy Premier) obtained leave and introduced a Bill for an Act to amend the Mutual Recognition (South Australia) Act 1993. Read a first time.

The Hon. G.A. INGERSON: I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Section 4 of the *Mutual Recognition (South Australia) Act 1993* adopts the Commonwealth *Mutual Recognition Act 1992* for a period ending on 1 March 1998.

These Acts were enacted as part of a national scheme of mutual recognition and are complemented by an Intergovernmental Agreement between the Commonwealth, States and Territories. Under the terms of the Agreement a review of the mutual recognition scheme is to be conducted by March 1998, five years after the commencement of the Commonwealth Act. This review, which is currently underway, will consider the future of the operation of the mutual recognition scheme in Australia.

The review is being conducted by the COAG Committee on Regulatory Reform. In addition to advertisements in the national press inviting submissions, members of the Committee on Regulatory Reform have undertaken consultation within their jurisdictions. In South Australia, materials concerning the review were sent to approximately 80 organisations and to all the major regulatory agencies within the public sector. The Government has used responses from the latter to make a submission to the Review.

The Review will be completed by 1 March 1998 and will result in a report to the Council of Australian Governments. The sunset clause of the *Mutual Recognition (South Australia) Act 1993* will come into effect before South Australia has the opportunity to consider the outcome of the national review and to take any legislative action which might arise from its recommendations. The intent of the Bill, therefore, is to extend the operation of the Act to allow sufficient time for consideration of recommendations of the national review and of any resultant proposals for legislative amendment.

The provisions of the Bill are as follows:

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Amendment of s. 4—Adoption of Commonwealth Act

This clause extends the period of adoption of the Commonwealth Act until 30 June 1999. The Act will, by virtue of section 6, therefore now expire on this date.

Mr ATKINSON secured the adjournment of the debate.

MFP DEVELOPMENT (WINDING-UP) AMENDMENT BILL

The Hon. M.H. ARMITAGE (Minister for Government Enterprises) obtained leave and introduced a Bill for an Act to amend the MFP Development Act 1992. Read a first time.

The Hon. M.H. ARMITAGE: I move:

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

The Government has previously announced its intention to abolish the MFP. This Bill gives effect to the decision. It has been evident that the original MFP concept to build a high tech city in the Gillman swamps was flawed.

This Government when it came to office in 1993 made the decision to refocus the MFP around Technology Park and The Levels campus of the University of South Australia. This is now taking shape in the Mawson Lakes development. However despite this, projects associated with the MFP have taken a long time to come to fruition.

It was clear that the Corporation was not sufficiently linked to the needs and priorities of Government. The current MFP legislation, agreed to with the Commonwealth and put in place by the former Federal and State Labor Governments, has given this State Government and the relevant Minister virtually no say in how funds were to be spent and staff resources deployed.

It is for these reasons that a decision was taken earlier this year to bring together other activities with the MFP and to foreshadow changes to legislation which would address these matters. This has helped in rechanneling the MFP to deliver tangible results and to deliver projects of significance to the State.

This Bill now provides for the winding up of the MFP Development Corporation. The Minister for Government Enterprises will have the responsibility to deal with the assets, liabilities and staff of the Corporation prior to the formal expiry of the Act.

The Government will be establishing a new Land Management Corporation under the Public Corporations Act. This body will manage the land and property assets of the MFP which will be transferred to it. Major projects currently managed through the Corporation will transfer to other agencies in the public sector.

The opportunity will also be taken to terminate some of the more controversial aspects of the Corporation. It has been decided to terminate the Australia Asia Pacific Business Consortium (AABC) and to transfer the intellectual property to local universities as appropriate. All marketing and promotional activity will be terminated and activities that are more appropriate to the Department of Industry and Trade will be passed across.

One of the concerns of the Government has been the number of highly paid executives in the Corporation. The Government has decided not to renew the contracts of a number of these and the new Land Management Corporation will have a lean and responsible executive structure.

The Government has made a commitment that there will be no forced redundancies and that all staff will be transferred to new organisations within their existing terms and conditions of em-

ployment unless otherwise negotiated by mutual agreement between the parties. Discussions with staff will take place during the implementation of these changes and it is anticipated that the Government will be in a position to action them as soon as the Bill has passed through the House and been proclaimed.

The winding up of the MFP Development Corporation will be completed quickly so that staff will be able to continue their important tasks of managing assets and projects on behalf of the Government and in accord with the Government's priorities, and at the same time there will be more clarity in roles to assist the private sector in its dealings with government. It is anticipated that assets, liabilities and staff can all be transferred by early in the New Year, so that the Act can be brought to an end by Proclamation.

I commend the Bill to the House.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

The measure will be brought into operation by proclamation.

Clause 3: Amendment of s. 3—Interpretation

This clause strikes out definitions that will no longer be required after the passage of this Bill and inserts definitions of 'asset' and 'liability' in view of the fact that the Corporation is to be wound up and its assets and liabilities vested in other entities.

Clause 4: Repeal of s.4

This clause will repeal section 4, which is a previous repeal and transitional provision that is no longer required.

Clause 5: Repeal of Part 2

This clause will remove the detailed provision setting out the objects of the Act in view of the fact that the Corporation is to be wound up.

Clause 6: Amendment of s.6—Corporation

The MFP Development Corporation will continue to exist under the Act pending the disposing of its assets and liabilities.

Clause 7: Substitution of s.7

The Corporation is now to be constituted of the Minister.

Clause 8: Amendment of s. 8—Functions of Corporation

These are consequential amendments.

Clause 9: Amendment of s. 9—Powers of Corporation

Various approvals from the State Minister will no longer be required by virtue of the fact that the Corporation will now be constituted of the Minister.

Clause 10: Repeal of s.12

Section 12 of the Act is now redundant.

Clause 11: Amendment of s.13—Compulsory acquisition of land

Clause 12: Amendment of s. 14—Delegation

Various approvals of the State Minister will no longer be required by virtue of the fact that the Corporation will now be constituted of the Minister.

Clause 13: Substitution of ss. 15 to 23

The provisions relating to the constitution of the Corporation by persons appointed by the Governor, and to the proceedings of the Corporation, are to be repealed by virtue of the fact that the Corporation will now be constituted of the Minister.

Clause 14: Repeal of Part 4

Part 4 of the Act may be repealed in view of the winding up of the affairs of the Corporation.

Clause 15: Substitution of Part 6

It is proposed to replace Part 6 of the Act with new provisions that will facilitate the winding up of the Corporation and the expiry of the Act. New section 33 will provide a mechanism that will allow the Corporation, by instrument in writing, to vest assets or liabilities of the Corporation in the Crown, a Minister, an instrumentality of the Crown, or another authority or person. New section 34 will allow the transfer of the employment of staff to the Crown. New section 35 preserves the ability of the Governor to make regulations for the purposes of the Act, pending the winding up of the Corporation. New section 36 will allow the Governor, by proclamation, to fix a day on which the Act will expire. Any remaining assets or liabilities of the Corporation will then vest in the Crown.

Ms HURLEY secured the adjournment of the debate.

LAND TAX (LAND HELD ON TRUST) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 2 December. Page 17.)

Mr FOLEY (Hart): Mr Speaker, I take this opportunity to congratulate you on your election to the Chair. I rise today as shadow Treasurer to debate the first Treasury Bill of the new Parliament, and it would be remiss of me not to comment that for the first time, as I believe it to be the case, we do not have a Treasurer in the Lower House of this Parliament. Whilst there is no doubt that Rob Lucas, the Leader of the Government in the Legislative Council, is a man of ability and a competent Minister, it does reflect and reflect strongly on the Premier's lack of confidence in any of his front bench in the Lower House to handle adequately the portfolio of Treasury and Finance.

Mr Lewis: We are afraid of you!

Mr FOLEY: I advise the member for Hammond that, if I were not such a modest chap, I would probably say that, too. If I were not such a modest member, I would accept the argument that perhaps the Government is afraid of me, but I will not say that because I am not someone who is known for big noting himself. It is an important issue that should be raised at the first opportunity as we debate this land tax Bill that the Premier, who had little or no confidence in his front bench in the Lower House, did not believe that his Deputy Premier was capable of holding down the Treasury portfolio. He clearly felt—and I find this somewhat odd—that the new Minister for Education, Children's Services and Training was perhaps too inexperienced to be Treasurer. So, for someone he considered to be too inexperienced to be Treasurer, he gave him the massive portfolios involved in education, which probably soak up one in every 2½ dollars that the State spends. That is an odd thing in the case of a Minister the Premier felt was not competent enough to handle Treasury.

The Minister for Primary Industries, of course, the noted business person from Crystal Brook who was reported in the media as a financial genius in his business, was touted as a potential Treasurer, but at the end of the day the Premier did not have confidence in the Minister for Primary Industries and he thought perhaps that agriculture was about his limit.

An honourable member interjecting:

Mr FOLEY: Not at all. It is a very good limit, a high limit, but, nonetheless, it is a reflection of the fact that he has no confidence in either the Deputy Premier or the Minister for Government Enterprises (the member for Adelaide).

Mr LEWIS: I rise on a point of order, Sir. I wonder whether the honourable member would mind addressing the substance of the Bill.

The SPEAKER: I was distracted talking to the Clerk, but if the honourable member was moving away from the subject matter of the Bill I would ask him to come back to it. I am not in a position to cast judgment, but I will take careful note of the rest of the speech.

Mr FOLEY: Thank you, Sir, and it is certainly worth noting. I was zeroing in on the central theme of the Bill, although prior to that I thought it was important to make the comment, given that this is the first Treasury Bill to be debated in this new Parliament, that we do not have a Treasurer or a Government Minister responsible for finance opposing us in this House. I think that is an issue of great moment as we debate this Bill, which in itself is a significant piece of legislation.

As I was saying, the member for Adelaide certainly was not deemed competent enough to be Treasurer. I suspect that the former Premier had all the attributes and necessary skills to be the financial Minister of this Government, but certainly the Premier would not want to give the former Premier a platform on which to display his skills and competence. As we go down the list, clearly the Minister for the Environment

and Heritage (the member for Newland) was not considered and, as we look around the backbench, there were others who were considered to be not quite up to the quality needed to be Treasurer.

The Hon. R.G. Kerin interjecting:

Mr FOLEY: Did I get asked? I must admit I got pretty worried when the criterion for being Treasurer was an economics degree or something like that. Having left school at 15, I would be struggling. The point is that the Premier failed to have confidence in any of his Ministers in the Lower House to hold the important position of Treasurer. I think that that is an indictment on the group of Ministers that we have in this House, and perhaps it is a reflection of the level of competence within the Liberal Party.

This legislation, which we see from time to time in this Parliament, is designed to correct an anomaly in the taxation system or, more to the point, it is an opportunity to fix a gap in our law that has allowed an imaginative person or persons or a company to rort the system. It is rorting by a person or persons or a company that has succeeded to date. We are not aware of the entity involved because of the privacy provisions, although I indicate that I will pursue that matter a little further in the Committee stage.

At the end of the day the taxation system is being rorted by somebody who has cleverly devised a tax minimisation scheme whereby a single Certificate of Title has been split into a number of different ownerships by the use of trusts. Whatever the threshold for land tax is—I think it is \$50 000—they have split the Certificate of Title into trusts to enable the threshold of the individual plots to be below the land tax threshold, thus avoiding land tax liability for the past financial year. Under this Bill, those people will be caught each year.

I understand that the Commissioner for State Taxation is not obviously concerned about this anomaly (as he should be and as, indeed, he is), but clearly he is concerned that there is potential for other people to get onto the bandwagon to exploit this anomaly and allow a tax minimisation scheme to get out of hand. Clearly, the Government and the State Taxation Office have moved swiftly to close this gap, and we applaud them for that. However, I indicate that we will not accept the rort. The Opposition believes that taxation rorting is one of the most serious offences against the State. It deprives the State of revenue and enables entities to achieve what the ordinary person is clearly not able to do, and nor would they. We will move an amendment which is retrospective and which will operate for the current financial year.

Mr Venning interjecting:

Mr FOLEY: I will come to that in a moment. We feel that an obvious taxation rort should be plugged and that the person who has rorted the system and who has had financial gain should be made to repay that financial gain back to the taxpayer. That is an element of retrospective law that we in the Labor Party have decided, on balance, is worth supporting. We in the Labor Party, like all politicians—

Mr Brokenshire interjecting:

The SPEAKER: Order! The member for Hart has the floor.

Mr FOLEY: I suggest that the member for Mawson tread carefully before introducing the subject matter of parliamentarians rorting the system. If the member for Mawson wants to head down that path, he best think carefully about it. I think he knows enough to perhaps leave it at that, but if he wants to challenge me on it, fine, let us have it.

Mr Brokenshire: I am talking about the State Bank.

Mr FOLEY: Let us have the rorts out in the open if that is what you want.

The SPEAKER: Order! The honourable member will return to the Bill before the House.

Mr FOLEY: I will leave it at that, and perhaps the member for Mawson will also leave it at that. On balance, retrospectivity is something that we should look at case by case. It is fair to say that Opposition members had mixed views on the issue but, given the obvious taxation rort and the obvious intent to take advantage of a tax loophole for financial gain, the Caucus of the Labor Party felt, on balance, that it was worth supporting retrospectivity. We all know there is another piece of legislation before the Parliament today in another place which also talks about retrospectivity—an element of retrospectivity that I find abhorrent and will be opposing because it is a totally different matter.

This retrospectivity is about tax minimisation and tax rorting and we think, on balance, it is worth adopting. I make the point that that happened on some occasions during the last Parliament, particularly in criminal law, where issues required a quick reaction from Government with a degree of retrospectivity about it. Members may well find that retrospectivity has been used in other financial issues, so this would not be the first time that it has been used.

I would urge all Government members to rethink this. It would be fair to say—because other members would be aware—that the Government itself considered making the Bill retrospective. When I looked at the first draft of this legislation it contained the very clause which I will attempt to introduce today, but, on reflection, the Government decided to remove it. The early thinking of Government was that it would make this legislation retrospective. Before I get too many inane comments from the member for Mawson, I suggest he reflect on that.

It is a scheme that should be fixed quickly. Let us reach back to make that person pay the tax liability which they should have incurred, and let us keep integrity and honesty in our State taxation base. If we have not realised, that is rapidly being taken from us. Let us at least attempt, where possible, to keep what is within our control in terms of State taxation measures and to exercise the authority of this Parliament to do the right thing for the taxpayers of this State.

Mr VENNING (Schubert): I, too, take this opportunity to congratulate you, Sir, on attaining the Chair. I look forward to four years of constructive effort on your behalf. Certainly, you are a respected member of the House and it is due recognition of your fine record in this place that you are now sitting in that Chair. I am a younger member of Parliament and I am prepared to stand in my place and learn from the member for Morphett.

Members interjecting:

Mr VENNING: I am definitely younger than the member for Morphett. I could reflect on the moment I met you, Sir, many years ago in Port Pirie—on the river—

The SPEAKER: Order! The honourable member will come back to the Bill before the House.

Mr VENNING: Certainly I support the Bill, because it would appear to minimise obvious tax avoidance. When we mention family trusts I become interested. I declare my interest, because family trusts are used to enable families to move the farm from one generation to another or among families, or to change or fine tune it at various times without having to pay duties. It has freed up the ownership of our rural lands and I do not see trusts being abused in this way. Whenever we discuss family trusts or trusts *per se*, I take a

great interest, because I do not want to see the powers of trusts taken down in any way.

In this instance, I refer to any title being artificially and deliberately split into several different ownerships by the use of trusts, thereby reducing the overall aggregate value for the purpose of avoiding tax. I have always been against blatant tax avoidance. We say that we are against tax avoidance, but we have a burgeoning industry in Australia to minimise tax. Any businessman is about minimising his or her tax, but when you talk about tax avoidance it is a fine line. Everybody in this country has to pay their way and pay their share of tax. I am against blatant tax avoidance.

The member for Hart is shadow Treasurer. I recognise that the Treasurer is no longer in this Chamber, and that is an unusual precedent. Maybe there is fear of the member for Hart, although I do not think that is the case. Certainly, the new Treasurer has a lot of qualifications and a proven track record in the Parliament and Governments. When it came to the important job of Treasury, it was obvious that we needed to give it to one of the Government's better and more experienced performers. It therefore went to the Hon. Rob Lucas in another place.

I heard the comments by the member for Hart about my colleague the member for Light. I appreciate the load given to the member for Light in recognition of his skills and ability. You do not necessarily get portfolios in your own natural interest area and I am sure the member for Light will have a lot of say in Cabinet in relation to Treasury matters. I congratulate him on his being asked to be a Minister and particularly on his being asked to take the load that he has. As the member for Hart says, he has taken the DECS portfolio as well as DETAFE, employment and youth affairs and all that goes with them. I note that the member for Light has been recognised. The member for Hart went on about retrospectivity. I am concerned about this, because he did not say how far back he wants to go.

Mr Foley interjecting:

Mr VENNING: He is talking about only one person. I am not aware of any details. I wish the honourable member had outlined it in his speech. We can discuss it in Committee. I am concerned about retrospectivity and, if the honourable member could be specific, I could support it. I would never support blatant retrospectivity as we have done it before and I have always been opposed to it. I support the Bill.

Bill read a second time.

In Committee.

Clause 1 passed.

New clause 1A.

Mr FOLEY: I move:

Page 1, after line 11—Insert new clause as follows:

Commencement

1A. This Act will be taken to have come into operation at midnight on 30 June 1997.

The Act through our amendment will come into operation at midnight on 30 June 1997. The reason for that is quite obvious: we understand—and I will seek advice from the Minister representing the Treasurer—that the Government agrees by this Bill that the tax minimisation scheme involved is wrong and is a rort. It involves an entity and I will be pursuing that with the Minister. Somebody has decided, cleverly, that one can break up a certificate of title of a parcel of land into allotments through the use of trusts to bring the value of the land below the land tax threshold, thereby avoiding land tax. Instead of having the sum of the whole, they have broken it up to avoid paying tax. It is one entity and

involves one instance. This Bill in its original form, minus my amendment—

Mr Venning: Family company?

Mr FOLEY: We do not know, but we will be pursuing with the Minister shortly who it is. I assume it is a developer of sorts. They have rorted the system and we know who they are. The Government will no doubt argue that they will get away with tax only for one year and through this Bill they will be caught each year. I argue that, if that is the case, why not catch them this time.

Mr Venning interjecting:

Mr FOLEY: Under this Bill they will be caught, but they will not be able to use this minimisation scheme once the Bill passes. The point I make is: why not whack them now and have this Bill in operation from 30 June 1997 so that they cannot avoid their tax liability? It is sensible. It is proper, careful and selective use of retrospective law when it is designed to catch a cheat. Whoever this person is, they are a tax cheat.

The Hon. R.G. Kerin: Not if it's legal.

Mr FOLEY: That is the argument. The member for Primary Industries says, 'Not if it's legal.' Technically it was legal; therefore they are a legal cheat. I have no problem making that hard comment. They have gone to elaborate measures to avoid a tax Bill. The argument is plain for all to hear.

I put to the Minister a couple of questions on this amendment. First, will he advise who is the party that has taken advantage of this situation? I accept that privacy laws may mean that is not possible. I ask that he at least give us what information he can in terms of the type of person or entity involved, some sort of indication of the value involved and some response to my argument as to why not reach back and basically have this tax cheat pay their proper share of tax.

The Hon. M.R. BUCKBY: As the member for Hart has said, due to privacy laws I cannot reveal who it is. I can advise him that it is a development within the central business district, but I do not have information as to the valuation of that land.

Mr VENNING: I note the member for Hart's case, and I am opposed to retrospectivity. That person has obviously acted within the existing law and has found a loophole. That is up to them, but it is up to us to put up good legislation with no loopholes. If this person paid for some advice and was able to get around the law, that is his or her good luck. No doubt we will now seal that loophole but, if somebody is smart enough to find loopholes or if we are not professional enough to put up Bills without them, that is up to the citizens. If citizens find a flaw in our law, we cannot then turn around and say to those people, 'Sorry; we did not do our job properly, but we're going to catch up with you anyway, after you've been smart enough to catch us out.' I cannot support the honourable member's amendment on retrospectivity.

Mr CLARKE: I congratulate you, Mr Chairman, on your appointment as Chairman of Committees and Deputy Speaker of this House. In support of the member for Hart's amendment and partly in answer to the member for Schubert, I would raise the following point. I cannot see anything wrong with applying retrospective laws. There are occasions when clearly it would not be just—where, for example, we were taking away a person's liberty after they had acted knowingly, the law was self explanatory and they were just exercising their normal rights in accordance with the law—for the Parliament to pass retrospective legislation to take those rights away from that person. But here we have a clear instance where a company—a developer in the central

business district—no doubt sat down with a group of lawyers to deliberately seek ways to subvert the income base of this State.

It is hard enough to get a quid out of State revenues in this State anyway, with the recent decisions of the High Court. Every dollar that the Treasury foregoes is a dollar that is not spent in the family and community services area, our schools, hospitals or regional development, or a whole range of areas. The public of this State suffers as a result of someone quite deliberately sitting down with a group of lawyers to work out ways of undermining the taxation base of this State.

One of the problems we have had in Australia over decades has been that, every time Federal or State Parliament passes a law, there is a gaggle of lawyers out the back, parading themselves—at \$6 000 or \$8 000 a day in the case of Sydney's QCs—working out ways of subverting the law. This is not like an ordinary, honest person going about their normal business, dealing with the law as it is and the Government then trying to take away their rights retrospectively: this is a way of trying deliberately to circumvent the law, to cheat the people of South Australia. They get away with it because Parliaments often act too slowly to close the loophole and, when they do, they close it prospectively rather than retrospectively.

In this case, the developer has got away with something for one year, but what if it had happened year after year, or if it had not been just that one person but there had been a swag of similar developers who had gone out of their way to subvert the taxation laws of this State? If we do not act retrospectively, we are sending out a clear message to various people in our community that, as long as they have a smart lawyer on their side and they subvert the laws of this State to undermine its income base, they can get away with it for 10 years. We then catch up with it and pass a law that applies prospectively, but they will have had the benefit of 10 years of subverting the income base of this State, which means that every other individual taxpayer picks up the burden that they knowingly shed. They were not prepared to accept their fair share of the cost of running this community.

There are always some people who will argue with respect to retrospectivity that people should be treated in accordance with the law as it is on the day and should not be found guilty retrospectively. They argue that when we pass laws in this place sometimes we do it sloppily late at night or we do not think far enough ahead of various ways in which our laws can be subverted. We must also remember certain judges of the various high courts of this nation, such as the former Chief Justice of the High Court of Australia, Sir Garfield Barwick, who spent his life as a lawyer seeking to advocate on behalf of large corporations ways to subvert the tax laws of this country. When he became the Chief Judge of the High Court, he went about emasculating the income tax base of this nation by breaking down the strength of those laws through his interpretation of the relative income tax laws of this country. That gave rise to the bottom-of-the-harbor schemes of the early 1980s that so offended the community as a whole that even the Federal Liberal Government under Fraser was forced by public reaction to close those loopholes and bring in retrospective legislation, because they were so repugnant.

Whilst we are dealing with only one developer over one year, we should send out a clear message to the community as a whole that, wherever this Parliament finds that someone is prepared to twist the law to suit their circumstances and so avoid paying their fair share of the legitimate taxes required to run this State, we will not only act swiftly in closing that loophole but we will also make it retrospective so they make

no gain out of it whatsoever. So, the honest merchants of this State, who do not have an army of lawyers working outside, looking at ways of undermining our income tax base, are supported by this Parliament, because there is no gain to those who basically thief off the community by getting a smart lawyer who can work out ways of evading their lawful and moral obligation to pay back their share of what it costs to provide schools, roads, hospitals and family and community services—all those things in relation to which they should rightfully also share the burden.

I would simply ask why the Government dropped its draft amendment which applied retrospectivity. Secondly, on what grounds can you justify rewarding somebody who has clearly subverted the taxation measures of this State by not introducing the element of retrospectivity encompassed in the member for Hart's amendment?

The Hon. M.R. BUCKBY: The situation occurred according to the land tax law as it stood at the time. I take into account all that the members for Hart and Ross Smith have said; where we see an anomaly, it must be closed as quickly as possible to ensure that people pay the tax they are due to pay. Given that people act and make decisions based on the laws as they apply at the time, I do not believe that we can go back retrospectively in this case, because that was the law. The honourable member raised the matter of income tax. As he said, in many areas of income tax some very creative accountants and lawyers have found anomalies in the law and have used them, and Governments of both persuasions have determined to close them. We do not go back retrospectively in those instances.

Mr Clarke: What about the bottom-of-the-harbor schemes?

The Hon. M.R. BUCKBY: I guess that is true in that case but, given the amounts of money involved in that situation, where we were talking of millions of dollars, it was slightly different from this. So, my answer to the honourable member is that at the time the decision was made by this developer to split the land into five separate trusts that person was acting quite legally under the existing law, and that is where the decision has come from.

Mr FOLEY: I am interested to hear the Minister's contribution. Whilst it is inappropriate to debate a Bill in another place—

Mr Brindal interjecting:

Mr FOLEY: Unfortunately, the member for Unley has waddled back into the Chamber. He is noticeable because of his inane interjection.

Mr BRINDAL: I rise on a point of order, Mr Chairman. I take personal objection to the term 'waddled'. I do not believe that I waddled, and I ask the honourable member to withdraw that remark.

The CHAIRMAN: There is no point of order.

Mr FOLEY: I should not have made such a derogatory comment about the gait of the member for Unley. I withdraw it and I apologise if I have caused the member for Unley offence. Perhaps one apology at the beginning of these four years will cover the remainder of the term. For the sake of brevity, it would help if one apology would suffice.

I look forward to hearing the views of the Minister and other Liberal members of Parliament on retrospectivity and the principal stand that the Government is taking, because I can only assume that all the members opposite in Cabinet and in the Caucus put up their hand and voted for the Premier's retrospective clause in the gaming Bill which is currently in another place.

Mr Brindal interjecting:

Mr FOLEY: Had the member for Unley been here instead of indulging in his normal antic of walking in midway during the debate and making a fool of himself, he would know that the point of the matter is that we are talking about the principles of—

An honourable member interjecting:

Mr FOLEY: The honourable member is more concerned with being accused of being a waddler than a fool. However, the point of the matter is that we have heard some interesting contributions on retrospectivity, which I will note and read to members opposite when we debate another Bill in this place next week. I particularly look forward to the Minister's reconciling his view on that Bill with his view on this Bill. I accept that privacy law means that the Minister cannot reveal the identity of the person, but will he at least advise the Committee of the value of the taxation in question?

The Hon. M.R. BUCKBY: I am advised that the amount is about \$15 000 out of a base land tax revenue to the State of \$78 million.

Mr FOLEY: But it is the principle of the matter, of course. Will the Minister categorically assure the Committee that this would not have involved either the Playford Hotel or the EDS Hansen Yuncken development on North Terrace, which we know is significantly taxpayer funded? Will the Minister rule out either of those two developments as being the one in question?

The Hon. M.R. BUCKBY: I advise the honourable member that it does not involve any development on North Terrace.

Mr CONLON: Can we be assured that, in respect of the person or some other person or the corporation or some other corporation that has divested this property into five different trusts in order to avoid tax, no other device is available to that person or corporation which might now be used in response to closing up this loophole? For example, can we be assured that this person or corporation who seems intent on avoiding tax will not now divest that property into five shelf companies owned by some other subsidiary company and thereby avoid the tax? If that assurance cannot be given, why do we not assure that company or other companies that if they attempt to do this they will gain no profit from it by signalling to them that we are prepared to introduce retrospective legislation to overcome their schemes?

The Hon. M.R. BUCKBY: My advice is that Crown Law is satisfied and that, in terms of the legal side of this of this matter, this will cover the area of concern. We can never be totally certain that someone else will not come up with something, but I am advised that this will fix the problem.

The Committee divided on the new clause:

AYES (21)

Atkinson, M. J.	Bedford, F. E.
Breuer, L. R.	Ciccarello, V.
Clarke, R. D.	Conlon, P. F.
De Laine, M. R.	Foley, K. O. (teller)
Geraghty, R. K.	Hanna, K.
Hill, J. D.	Hurley, A. K.
Key, S. W.	Koutsantonis, T.
Rankine, J. M.	Rann, M. D.
Snelling, J. J.	Stevens, L.
Thompson, M. G.	White, P. L.
Wright, M. J.	

NOES (25)

Armitage, M. H.	Brindal, M. K.
Brokenshire, R. L.	Brown, D. C.
Buckby, M. R. (teller)	Condous, S. G.
Evans, I. F.	Gunn, G. M.

NOES (cont.)

Hall, J. L.	Hamilton-Smith, M. L.
Ingerson, G. A.	Kerin, R. G.
Kotz, D. C.	Lewis, I. P.
Matthew, W. A.	Maywald, K. A.
McEwen, R. J.	Meier, E. J.
Olsen, J. W.	Oswald, J. K. G.
Penfold, E. M.	Scalzi, G.
Such, R. B.	Venning, I. H.
Williams, M. R.	

Majority of 4 for the Noes.

New clause thus negated.

Clause 2 and title passed.

The Hon. G.A. INGERSON (Deputy Premier): I move:
That this Bill be now read a third time.

Mr FOLEY (Hart): I accept the will of the House—that a majority of members of the House believe that retrospectivity is not appropriate, is a bad device and is a wrong device. I look forward to all members' votes on the gaming legislation, where members are prepared for retrospective law to hit a developer who put in their development plans in accordance with the law of the day, only to have retrospective law introduced, yet in this House members are prepared to support tax cheats.

The Hon. W.A. MATTHEW: I rise on a point of order. The member for Hart is referring to legislation which is presently being debated before another place.

The DEPUTY SPEAKER: There is no point of order.

Mr FOLEY: There is no point of order, as it is not being debated as yet in another place. The point of the matter is that you have given us such a principal line of argument as to why a retrospective law is a bad law, yet in their Caucus Government members all supported and sponsored a Government Bill that is blatantly retrospective. So, what members are saying to the community is that they will support retrospective law when it penalises a business which has gone about its lawful process and properly applied for a gaming licence—they will hit that business with retrospective law—but some tax cheat, some tax rorter developer in Adelaide who has decided, through a complex web of arrangements to avoid tax law—

An honourable member interjecting:

Mr FOLEY: And the Marion Westfield developer did it legally as well. The member for Hartley says that it is a conscience issue. I look forward to his conscience on that one; I look forward to all members' consciences on that one; I look forward to the consciences of Liberal Party members in another place when they vote on it. It is simply highlighting the hypocrisy of this Government: on the very first piece of legislation members opposite are exposing the hypocrisy of their Government. Members opposite will stand on principle when it suits their interest, and they will discard those principles when it suits their political interest—simply because they have a Premier who made an off the cuff statement on 17 August this year in a countdown to a State election. Members opposite know that they have a wounded Premier; they know that they have a Premier who cannot afford to be defeated, so they are prepared to throw—

The DEPUTY SPEAKER: The member for Hart will come back to the Bill.

Mr FOLEY: Yes, Sir, I will. Members opposite are prepared to throw principle out the window—

The DEPUTY SPEAKER: Order! The member for Hart will come back to the Bill.

Mr FOLEY: I am doing so, Sir, because it is a Bill on retrospectivity; my amendment, at least, was one of retrospectivity. So, the point of the matter is that members opposite have shown that they will throw principle out the window to support a wounded Premier and to save face, but when it involves a tax cheat, when it involves a tax rorter, members opposite will stand on their soapbox, stand on their principle, and talk about the evils of retrospectivity. Those members who have supported the Premier—and, of course, it is a conscience vote, so not all members opposite would have, or will—stand condemned of hypocrisy. I look forward to the debate on the gaming legislation, I look forward to the Minister's contribution on the gaming legislation and I look forward to consistency. It would be useful if in this place we saw consistency from this Government and not desperate measures to prop up a very wounded Premier.

Bill read a third time and passed.

GAS PIPELINES ACCESS (SOUTH AUSTRALIA) BILL

Adjourned debate on second reading.

(Continued from 2 December. Page 21.)

Ms HURLEY (Deputy Leader of the Opposition): This Bill had its origins in an agreement between the Commonwealth and the States in 1994 to introduce a range of reforms around the distribution of gas and the trade in gas. There were a number of objectives in this agreement, which were: the removal of barriers to trade within and between the States; a uniform national framework for third party access to gas transmission pipelines; no new open-ended exclusive franchises to be issued and a plan to be developed to implement more competitive franchise arrangements; the corporatisation of publicly owned gas utilities; and the vertical separation of transmission and distribution activities.

I agree with a number of those objectives. I have always believed it is very important that in Australia we have infrastructure that is regulated and accessible uniformly across Australia, in terms of accessibility and certainty for businesses and for consumers. Our original Constitution is very strong about open trade access across States. Also of importance are uniform safety standards across Australia—again, another important aspect for business and consumer. So, I am very much in favour of that aspect of the Australia-wide regulation of gas.

It will also lead to increased privatisation and introduce a number of uncertainties as we see how the licensing arrangement and the regulation works. This is something we obviously have to monitor and assess over the next few years. It was a Federal Labor Government that made the commitment to introduce these sorts of reforms with the agreement of all the States around Australia. To that end, the Labor Opposition cooperated in the passage of the Gas Act 1997 earlier this year. Therefore, we will continue to cooperate with this Bill which gives effect to that commitment.

Some of the stated aims include: to promote efficiency and competition in the gas supply industry; to promote the establishment and maintenance of a safe and efficient system of gas distribution and supply; to establish and enforce proper standards of safety, reliability and quality in the gas supply industry; to establish and enforce proper safety and technical standards for gas installations and appliances; and to protect the interests of consumers of gas. I would certainly agree with all of those aims, and I particularly emphasise the interests

of the consumers of gas in this State as well as the safety and technical standards.

It must be said that in this State we have always enjoyed a very high standard when it comes to the distribution and regulation of gas, and that was previously overseen by the South Australian Gas Company, which did it very well. We have always taken for granted the safety of our gas and the relatively affordable pricing of that gas. We all expect that that security, safety and affordability will not be jeopardised under this system.

The DEPUTY SPEAKER: Order! I do not want to confuse the situation, but I point out to the Deputy Leader that we are debating the Gas Pipelines Access (South Australia) Bill. It appears that the honourable member is speaking to the Gas (Miscellaneous) Amendment Bill.

Ms HURLEY: I am providing a general overview.

The DEPUTY SPEAKER: That is okay, as long as we all know where we are going.

Ms HURLEY: As I understand it, there are two categories of licensing: one for the retailing of gas and one for the distribution of gas—and the technical regulator who is in charge of that licensing will be able to issue licences authorising retailing only to contestable customers. The pricing regulator fixes the maximum prices for the sale of gas to domestic consumers until the market becomes fully contestable and competitive. That contestability schedule will begin from April 1998. This is, I suppose, where the consumers in South Australia will have the most questions about the way in which they will be protected.

The Gas Pipelines Access (South Australia) Bill contains a number of technical provisions, mostly in the schedules, which enable the application of this new regime to come into effect. The Opposition will be asking a few questions about its application, but in general we support the passage of the Bill.

The Hon. R.G. KERIN (Minister for Primary Industries, Natural Resources and Regional Development): With respect to the Gas Pipelines Access (South Australia) Bill, I would first like to thank the Deputy Leader and her Party and also the Independents for their assistance, because time has been tight in respect of this Bill. There were some delays with the Bill which were beyond the control of South Australia. Their cooperation is certainly appreciated. As the Deputy Leader said, it is in the national and State interests, and it has been agreed across Party lines to go in this direction. It certainly brings us into line with the agreement made at COAG.

The Gas Pipelines Access (South Australia) Bill has five primary objectives: to provide an open and transparent process; to facilitate third party access to our natural gas pipelines, which will reduce uncertainty for market participants; to facilitate the efficient development and operation of the national natural gas market; to safeguard against the abuse of monopoly power; to promote a competitive market for gas which, of course, is to the benefit of consumers; to provide a right of access to transmission distribution networks on fair and reasonable terms and conditions, which will give everyone the right to dispute resolution mechanisms; and to encourage the development of an integrated pipeline network.

The national access code contains principles which are to be uniformly applied in regulating third party access to natural gas transmission and distribution pipelines throughout Australia—thus the urgency to get this Bill passed in this session. Once again I thank all members for their cooperation in allowing us to do so.

Bill read a second time and taken through its remaining stages.

GAS (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 2 December. Page 22.)

Ms HURLEY (Deputy Leader of the Opposition): As I indicated previously, I covered the outline of the Opposition's thoughts on this measure in the previous debate. This is another Bill which will give effect to the overall objectives of the agreement between the States and the Commonwealth. Again, I merely want to say that we support the provisions of the Bill. During the Committee stage, we will ask a number of questions to ensure that the interests of consumers are safeguarded, but otherwise we support the Bill.

The Hon. R.G. KERIN (Minister for Primary Industries, Natural Resources and Regional Development): I thank all members for their cooperation in respect of this Bill, which has two aims: first, to make sure that those supplying gas through the distribution system are licensed; and, secondly, to ensure an orderly and progressive introduction of the contestable market in gas. Provision is made also for the Minister to classify consumers as contestable, but such a classification can be made only where such action is consistent with the orderly introduction of the fully competitive market which we are heading for.

The contestability timetable is expected to be the norm and is certainly designed to eliminate price shocks. It does show the Government's commitment to the gas industry reform which will increase competition. The benefit there will be for gas consumers, whether that be industry or domestic. Once again there was some urgency with the passage of this Bill as the ability to set out the full contestability timetable as contemplated depends on regulations being made under the definition of 'non-contestable consumer' provided in this Bill. Once again I thank all members for their cooperation.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3.

Ms HURLEY: This clause refers to non-contestable consumers and allows the Minister to introduce a timetable for contestable consumers such that larger businesses come into the system first and gradually you move through to domestic consumers. I understand the reason for such scheduling is to allow for an orderly introduction of the system that does not provide too many shocks. I understand the need for the Minister, as a person with local knowledge, to be able gradually to introduce the system. Will the Minister outline the exact timetable, how it will operate and, in particular, when he thinks that domestic consumers will come into the system?

The Hon. R.G. KERIN: As to the contestability timetable, the first tranche is April next year, in five months, and it involves those customers who will take more than 100 terajoules per annum. The second tranche is 1 July 1999, covering the range of 10-100 terajoules; the third tranche is 1 July 2000, which encompasses all industrial and commercial users below 10 terajoules; and the fourth tranche is to come into effect on 1 July 2001—and that date is subject to review—and it involves all remaining customers. That is where domestic consumers come into the system.

Ms HURLEY: In other words, domestic consumers will come in in about 2001, subject to review. Under what conditions would a review change that date? Can the Minister provide some assurance about the uniformity of gas prices at that time? I am particularly concerned about domestic gas users who may be a bit further from the source of gas than other users. It may be more expensive for retailers to bring the pipes out to even the outer suburbs of Adelaide or country areas. There may be some pressure on the uniformity of gas pricing for domestic consumers.

The Hon. R.G. KERIN: Certainly, the Deputy Leader has identified one of the reasons for the review. Much will relate to what the regulator does with the zones. At the moment there is not a lot of difference, but that is one of the reasons for the review. We realise that that was always going to be the end point, and we need to arrive at the end point carefully so that we do not see price shocks at the end of the line.

Ms HURLEY: Will there be uniform prices for gas even after 2001 for gas consumers?

The Hon. R.G. KERIN: It will depend on the zone. There will be the opportunity for zoning. Certainly at the moment there is not a lot of difference between the zones. Unfortunately, that is what it is all about. We cannot give guarantees about what the price will be in a particular area.

Ms HURLEY: The Minister is saying that there cannot be guarantees, but can he indicate which zones may be under the most pressure in terms of domestic consumers having to pay more for gas? I illustrate the point by talking about the price of LPG, which the Office of Energy Policy describes as being in a fully contestable and highly competitive state. I was up in the country just last week, so I am aware that country consumers pay a lot more for their LPG than do city people.

Mr Venning: It's a disgrace.

Ms HURLEY: Exactly, it is a disgrace, as the member for Schubert says. Those consumers are very close to the source of supply, yet they pay more. Can the Minister indicate which domestic consumers may be faced with the prospect of paying more for gas if this system comes in?

The Hon. R.G. KERIN: The whole idea of the competition is to try to drive prices down across the board. The setting up of zones will largely depend on what the regulator decides they will be. Certainly, the issue of LPG, which the Deputy Leader raises, is very true, but it is not related to this reticulated gas supply issue. However, I know what she is talking about because my electorate is subject to exactly the same pressure. If one were to guess where the highest prices would be, I suppose it would involve those most distant from the source of supply or where there is the least demand. The whole idea of the competition policy, which was initially driven by the Federal Labor Government, as the Deputy Leader said, was to try to reduce the price for gas across the board. Whether some consumers will get as much benefit as others is something that time will tell, but the overall aim is to bring down the price across the board. I hope that no-one will pay any more but, under competition, some people may pay less than others, but I hope everyone benefits from this initiative.

Clause passed.

Clause 4.

Ms HURLEY: I am not certain of the position in respect of licences. Licences will be provided to people who will be retailing to the larger companies initially. Will those licences flow on automatically when the market broadens out or will people have to reapply?

The Hon. R.G. KERIN: The Technical Regulator will issue licences and he will be able to issue licences to whomever is seen as a supplier to contestable customers.

Ms HURLEY: If a licence is issued under those terms in July 1999 to a large business using between 10 and 100 terajoules, will that provider also be able to provide in July 2000 to smaller businesses using less than 10 terajoules?

The Hon. R.G. KERIN: Yes, it will not be that a licence will be exclusive to one grouping of contestable customer. As others become contestable, that licence will apply.

Ms HURLEY: Will that also apply to domestic consumers? Will the suppliers who are able to supply business also be able to supply the domestic market?

The Hon. R.G. KERIN: As long as they are contestable customers. If you are talking about one who is licensed being able to supply non-contestable before domestic becomes contestable, then the answer would be 'No.' It would only be when they became contestable that that licence would apply.

Clause passed.

Remaining clauses (5 and 6) and title passed.

Bill read a third time and passed.

ELECTRICITY (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 2 December. Page 23.)

Ms HURLEY (Deputy Leader of the Opposition): This Bill has many similarities to the previous two Bills in that it relates to hooking into the national grid. Again, the Opposition is in a similar situation. We agreed that the national grid and the national infrastructure for the transmission and distribution of power was worthwhile, and we cooperated in the setting up of the national electricity markets on both Federal and State levels.

This Bill, again, has the purpose of seeking to give effect to that and making various provisions to do so. I suppose we are in the position of waiting to see how the national electricity market works and how the national grid affects us in South Australia. In South Australia, we feel vulnerable because of the relatively poor quality of our coal and the difficulties we therefore have in operating an efficient generating system. Those concerns have, indeed, been exacerbated in the past few weeks, because we have had a couple of incidents where the quality of our supply has been called into question. Indeed, I noted in the *Advertiser* on Thursday, 27 November that ETSA Group Manager of Corporate Services, Mr Terry Parker, was quoted as follows:

... as South Australia progressively entered the national grid during the next four years, its power supply would be subject to eastern States' demand as well as local demand.

Mr Venning: And that's a worry.

Ms HURLEY: As the member for Schubert says, it certainly is a worry. We are desperately trying to attract industry into this State and to encourage small business, and difficulties with the supply of electricity may cause great difficulty in terms of trying to encourage businesses to come to South Australia in the future. That is not to even mention the domestic consumers who suffer the inconvenience, and often expense, of having their power cut off, particularly families with small children or elderly people who may not be able to have access to airconditioning, for example, during heatwaves. It may even seriously affect the health of some people in our community. This is a matter of great concern, certainly to the Opposition. The article goes on to state:

More suppliers would come into the market during the next year and, subject to market forces, ETSA could find itself diverting power to the eastern States in the event of a crisis there.

Although the national grid may have some benefits, it may also have some distinct and critical drawbacks for those of us in South Australia. Over many decades, we have been accustomed to ETSA reliably and faithfully delivering power to us. Concerns are now emerging about the quality of our electricity supply; questions have been emerging about the maintenance of our electricity infrastructure in this State. In fact, Optima has just announced another series of cut-backs in its staff, yet we are hearing that there are serious concerns about whether, at this time, there are enough trained and qualified staff to ensure the continued distribution of our power.

We also hear questions about whether there is enough money available to ETSA and Optima Energy to ensure that the equipment is kept up-to-date and the right equipment is being installed where required. These are matters of great concern. Over the past few years, the Government has been taking a great deal of money out of ETSA. I have to acknowledge that this has been a habit of Governments over many years, but it certainly has been a source of revenue for many Governments, and ETSA has operated very efficiently and managed to return that source of revenue to the Government.

In the past year this Government has taken, from memory, about \$200 million out of ETSA, and concerns are now being raised about whether ETSA has been so starved of funds that our electricity supply is under threat. Further, we have the additional concerns about our going into the national electricity grid. During the passage of this Bill I would be interested to hear assurances from the Minister that the Government will rectify this situation and that consumers of electricity in this State, both domestic and business, will not be disadvantaged by our going into the national electricity grid and also by being starved of funds from the Government.

Concerns have been raised that ETSA or Optima may be privatised. This is again of great concern to us, because a great deal of pressure has been put on the price of electricity recently as other States such as Victoria have privatised their electricity generation and supply. There is great concern that, if privatisation occurs and these private operators are required to match to compete with these prices, as would a public utility, and to make the profits they would require from such an investment, these maintenance schedules may be put under further risk, as may the job security of their employees. There is a great concern in my mind that, if that were the case, electricity suppliers in South Australia would be even further under threat.

We were assured by the Premier during the election campaign that this was not about to occur and that there would be no privatisation of our electricity authorities and I hope the Premier stands by that promise in this term of government and in the next term if the Liberals get into government next time. With those heavy qualifications I indicate that we support this Bill, and I seek those assurances from the Minister as we go through the debate.

Mr VENNING (Schubert): I congratulate you, Mr Deputy Speaker, on your elevation to the office. Your experience in the Parliament will be appreciated in this position as you have been here for some time. You were here with my father. He often spoke of your abilities and experience. It is appropriate that as father of the House you are in the position of Deputy Speaker.

I support the Bill, as it is a necessary legislative step towards South Australia's entry into the national electricity market, set to commence on 29 March 1998. Increased competition as a result of this national electricity market hopefully should enable us to purchase power as and when required at more competitive prices and rates.

During the transition period to the full national electricity market, I note, the new powers proposed under this Bill are also designed to improve South Australia's influence in regard to local variations in transmission network pricing. This should be of benefit to all of us. We are entering interesting times. One industry executive was quoted in the August Electricity Supply Magazine as saying:

The Australian electricity market will resemble a Bombay bazaar. There will be so many buyers and sellers we will need an operations room to keep track of it all.

Whether or not this is the case is difficult to say. However, it should provide South Australia with more options for buying power competitively. Currently we buy one-third of our power from Victoria—a statistic which surprised me—but we are likely to have access to other suppliers eventually as a result of the national market, especially if a new link under consideration is established. No doubt we will hear more about that.

Again, according to the Electricity Supply Magazine, Optima Energy believes that the national electricity grid could give it opportunities to sell power. Optima (the generating arm) and ETSA Corporation (the distributor) are likely to compete for big customers both in our own State and in other States. The article indicates that we could see the slightly bizarre situation whereby Optima, the operator of South Australian power stations and the Leigh Creek coal fields, is buying power in Sydney and Melbourne and selling it to consumers in the same city. I think it is already happening. As a wheeler and dealer trader myself I have been doing a study of what happens. We have seen buying and selling of all commodities and now we are seeing buying and selling of power. We have seen dealers in everything else and now we see them buying and selling power.

The Bill also addresses the immunity of ETSA Corporation and Optima Energy from liability in relation to surges in power levels mainly because, if you sell something under contractual arrangement, if there is a cut in supply or a surge, in normal situations you can sue for lack of supply or breach of contract. This Bill changes that. We are talking of a strange and different situation. This Bill allows the ability to exchange information, that is, for traders to readily compare the price and availability across the nation.

If an entity is smart enough, power can be purchased from an entity that has a power surplus in any part of Australia at a negotiated low price and immediately resold *via* the electronic communications to an authority or region that has a deficiency. That therefore generates a higher price. We see the trader operating on an instant market making guaranteed instant money. We have to give the risk takers the ability to get the information they require quickly; it must be available and not be held up by Government regulations. Information needs to be available and trafficable to anybody involved in the generating, supplying or trading of electricity businesses.

The trade of power across Australia and over State borders is most unusual. I understand that power is not necessarily directly wired into any other State: it is put onto the common grid and the buyer takes it off at their own location. I find it hard to understand, when we in South Australia, as the Deputy Leader just said, have to suffer a cut in power, whose power is being cut off and to whom. Are we to be at the whim

of the eastern States when they have an over requirement for power? Are we the poor cousin whose power is cut off? What is the priority and what guarantee do we have?

Because there is no direct exchange of goods and services, it is a complicated situation. That is why this Bill removes the liability of failure and supply. I hope that the freeing up of the electricity market throughout Australia, after agreement, will mean cheaper power. I hope we will always be able to keep our power generation capacity here in South Australia because, if we cannot generate and sell power competitively against the other States, we will lose our ability to generate power. I am concerned that currently we are using one-third of our power from Victoria. That is a worry.

I will always be prepared to pay a little more for my power to ensure that South Australia will maintain its ability to be self-sufficient in power generation, if necessary. We are so reliant on electricity. Our houses use power for lighting, heating, cooling, cooking, recreation and even to pump the water in and out of our homes. When the power goes off, some of our homes are totally inoperative, and that is a worry, particularly when there are sick or young people in the home in adverse weather conditions.

I officially congratulate the Deputy Leader on her elevation. She has served on the ERD Committee and as Chairman I have appreciated her being there. We will miss her very much. I recognise and congratulate her on her elevation. She referred to the recent blackouts. I cannot understand how we can have shortages, especially in hot weather, when we are on a national grid. The statement was made that we do not have the capacity to supply enough power during peak demands; that is a real worry and I support the Deputy Leader's comments.

Does that mean for those of us who like to avoid problems that we will have to install portable power generators? In my junkyard at home I have several electric generators that I hoped I would never use again. It appears that I will be going to the scrap heap, fixing them up and having them on standby. I am too delicate to be putting up with heat waves and the like. It looks as though I will be off to the scrap heap to rejuvenate my old generators. It is a worry in this modern day and age. No doubt I will be hearing about this speech later from learned colleagues in the department, and I will certainly appreciate their comments on what I have had to say.

I would never support the dismantling of our power generators, except to make way for new technology. We certainly need new technology in this State. Australia's reliance on fossil fuels to generate our power is causing international concerns over the greenhouse gas emissions issue. I will not go further into that, but it is a matter of great concern, and I have been aware of the matter involving carbon tax for some years. We must support all efforts to seek alternatives to fossil fuels, and there is a long list of those. We must treat that as a matter of the greatest urgency. I am pleased that, through an open grid, the Bill will bring about efficiencies, which should mean less pollution by fossil fuel power stations, not only in South Australia but also right across Australia. This is a very complex situation, and this Bill facilitates this new age. I support this Bill, but not without these allied concerns.

Mr LEWIS (Hammond): My purpose is simply to draw attention to the ridiculous propositions that were put by the member for Napier in the course of the Opposition's second reading contribution. I draw the honourable member's attention to events which occurred prior to the time she

arrived here—1990-92, in fact—when we knew that in 1996-97 we would be facing blackouts and brownouts; in all probability it would be no later than that and might even have come sooner. Had it not been for the State Bank collapse and the disastrous mismanagement of the State's economy by the previous Government, economic growth in South Australia would have been sufficient to lift electricity demand in South Australia to the point where we would need that additional power before early summer in 1995, but we knew that we would definitely be in grave trouble by 1997.

Well, lo and behold, they managed to cause the State's economy to shrink by their incompetent indifference to the problems which arose out of the State Bank's mismanagement and, as a result of that, we have not had much of a crisis until now. It is now summer, late in 1997 and early 1998, and we are already in that crisis. Every hot day we will exceed the total capacity available to us in South Australia as a consequence of our using electricity to cool down the environment in which we work and live.

Mr Venning: What about old generators?

Mr LEWIS: I think it would need to be bigger than the member for Schubert's old generators; we need more than just 5 KV output. No, we definitely needed an additional 200 or so megawatts capacity. We were nuts to have allowed the Government then to get away with deciding to do nothing, but I could not get sufficient support anywhere in this place even to have a debate about that. There were too many people who were too precious about their attitudes to greenhouse gas emissions and a whole lot of other claptrap irrelevant to the things to which the honourable member now quite properly draws attention. I do not want my mother to fry on a hot day because the power fails and her fan will not work. I certainly do not want thousands of houses put at risk because there is no power to pump water.

An honourable member: The spa won't work.

Mr LEWIS: Forget about the spa: they will cook, because there will be no power to pump water to fight the fires, to keep food fresh or milk the cows. Notwithstanding the fact that that will be disastrous for the dairy farmers, it is more important to consider the cruelty to the animals involved. If the honourable member has had children, she will know what it is like to be left without any relief whatever of the build-up of milk fluid in the alveolar sacs. In the case of a cow that is extremely painful. Yet that is what is happening to the cows belonging to the people whom I represent. I have some compassion for the cows and great concern for the people, because they are missing out on their income and the cows are in great distress. You can see that: they move with great discomfort, just to try to get a drink, and they know that if they get a drink they will suffer even greater discomfort. That situation is visited on the heads of every member opposite for being so foolish as to deny the necessity to invest in the expansion of our power generation capacity in 1991.

Let me go on and say that a coal fired power station might cost more and take a little more time to build, but the send-out cost of the power once you have invested that capital would be lower, because the recurrent expenditure for each megawatt hour of power generated is much lower in the case of coal. If we want power on tap quickly, our only option now is to recognise the point and in the next year or two get, say, a small addition up at Torrens Island—\$220 million for 320-odd megawatts—or perhaps put a stand alone gas fired power station somewhere in the South-East, given the extent to which we have discovered gas reserves there now that were not known at that time. A 100 MW gas power station in the South-East of the State in the electorate of the members for

Gordon or MacKillop would make a great deal of sense, although it would not be the best option: it would cost only about \$100 million, and we could easily get someone in the private sector to take that on, given the nature of the amendments which we make to the Act with this Bill.

We could easily get someone in the private sector to come and build a gas fired power station somewhere in the South-East and put that power into the existing grid. Most—indeed, probably all of it—would be sold to the north of the power station based on the gas there, for no other reason than that that is where the demand is: in Adelaide, the Lower Murray and Murray-Mallee. That is where the water will be pumped. Under the new scheme negotiated by this Government, the water will be transferred downstream from the pastures of Victoria and New South Wales to the Lower Murray to go onto the horticultural crops that can be developed there. That is where the water will be pumped from the underground water of the Murray basin in the Mallee. We know that that will be 47 500 megalitres. Not even one-third of it is being used at the present time, and it is ripe for rapid development.

The internal rate of return on an investment in any horticultural production project there is over 50 per cent per annum, and that is a jolly good investment for anybody and extremely valuable to South Australia. It gives us a huge leap. It is not 10 per cent or 20 per cent on your money. You get 4 per cent in a savings bank these days, or 10 per cent if you invest it in a business in the metropolitan area. I am telling the House that the place to go is the Mallee, where you will get 50 per cent on your money invested in horticulture, or the Lower Murray. Buy the water somewhere downstream from Nyah, transfer it onto the land that you purchase and plant it to vines or olives or whatever other crop you want. That will use the power, and that will ramp up the number of jobs available very rapidly, because everything that can be grown there can be sold overseas; it will not glut the Australian market. The demand is known to be there.

All this was in my mind when I drew attention to the crisis confronting the State if we did not go ahead and put in the additional power generating capacity. But, no, we did not; so now we face the consequences referred to by the member for Napier, quite eloquently but irresponsibly, in that it reflects exactly on her and her colleagues, because they sat on their hands in spite of the fact that we warned them. I also point out that we could offer the private sector the opportunity to develop the Coomandook coal deposit. That is only about 32 million or 35 million tonnes, but a small, coal fired power station there would be extremely profitable, because it is right where that electricity would be used—in that irrigation area.

It is a matter of about 40 kilometres at the most to the north-west of the Lower Murray. Perhaps part of the market would be further afield, a little upstream around Mannum and Bow Hill, but most of it would be in the vicinity of Taillem Bend and Wellington. Equally, in the opposite direction, eastward to where the Murray Basin is located, it is a matter of only 100 kilometres. That would be an extremely attractive investment for a private investor, but we have done nothing about that.

I make those points because they underline the necessity for us constantly to pay attention to our responsibilities as members of Parliament to provide good government in the interests of the people of South Australia. It is not a matter of scoring political points or kowtowing to a bunch of ignoramus dream green idiots who have their eye on nothing else but their feelings. They do not look beyond their nose. When it comes to power generation, they are the kind of

people who would advocate policies which would result in their starving and freezing to death in the dark.

I stand quite happily accountable to any of them who want to engage in a debate about civilisation and compassion and concern for the necessity for these things. Mr Deputy Speaker, you would recall that, at the time, I raised the necessity for us to test wind farms on either the South Coast of the Fleurieu Peninsula or the South-East coast. We are now doing exactly that at Millicent. Four years before that, at my own expense, I personally went to California to see what was happening there, because the situation there was similar to ours in that respect. I wanted to see what they had learnt from their large scale experimental generation wind farm at Palm Valley. What they learnt would have been of great value to us if we had wanted to make use of it, but we chose not to. We chose to say that it was unreliable. It was not unreliable. We had the metallurgical technology to make something of it at that time, but we chose not to.

As one of the foundation members of the Solar Energy Society in South Australia—I was a member for about 20 years before I became a member of this place—I advocated then the necessity to take up Professor John Bokris' proposition whilst he was at Flinders University to install photovoltaics and find out exactly how much we could get out of what we then knew about the simple photovoltaic cell units and what has since become known to us about amorphous silica photovoltaics. One bit costs a little more, but it lasts longer, and for that reason it has cheaper send-out costs when you do an estimate of the net present value of future cash flows to be derived from the slightly more expensive panelling.

We have changed the optics on the surface so that we can use the standard photovoltaic units and get greater efficiency out of them with a similar end result. The send-out costs have fallen from about 10¢ per kilowatt hour to something closer to what we now have to pay in the marketplace to get power from burning coal and gas. I dare say that, if there was one industry which we could have established in South Australia to give us world's best practice and leading edge technology in yet another centre of excellence for this State and this nation and export the technology to the world, it would have been, according to what John Bokris and I talked about at that time, to go on with that research at Flinders University. But he went to California several years ago, although he has returned a couple of times to talk to us about what is possible.

All these things are an important part of the immediate future of our policy setting if we are going to discharge our responsibilities to the people we represent in this place. They are an important part if we are going to stay civilised and capable of delivering what people take for granted when they press a switch. They have taken it for granted for too many generations, and we are now confronted with the situation where the unit connection, which of itself was a great idea at the time, is inadequate along with our own capacity to meet these peaks in demand, and the extent to which we fail to meet those peaks in demand in both their frequency and their duration will increase.

In my judgment, we have no choice other than to consciously ramp up public interest in immediately investing in infrastructure or power generation capacity, or both. I point out again that a 250 megawatt connection through Riverlink, which comes from New South Wales, would cost us only about \$45 million to \$50 million, because it would not be all at our expense. An extension to the Torrens Island power station and the gas that is available there—now that we have discovered further reserves in the Cooper Basin about which

the member for Stuart knows a good deal—would cost us about \$220 million, and the other options that I mentioned earlier in my remarks need to be considered forthwith.

We need this legislation. We need to give certainty to the people who will come into the marketplace as main players. We do not need to invest taxpayer dollars from the public domain in electricity generation as part of social overhead capital: we do not need that at all. In my judgment, there is absolutely no good reason why we cannot sell off everything and retire debt to relieve the burden on taxpayers and leave it to competition in the marketplace to keep the price down, which it most certainly would do. That does not mean that we would sacrifice jobs; it simply means that we would leave it to the private sector to do the job and through that process deliver the power in competition with other private sector suppliers and interstate suppliers who would sell it to us through the grid.

I conclude by saying that my preferred option is Riverlink now—as quickly as possible—and to sell off as much as is humanly possible as quickly as possible all the infrastructure involved in power generation and reticulation and leave it to competition to keep the price down, as it certainly will, because you can now buy electricity 12 months in advance, three months in advance, three weeks or a week in advance, or even one hour in advance. There is nothing to stop you from selling it again, but the price you will pay for it will be the going rate in the marketplace. If you leave your order until late in the day it will cost you more because you will have to get one of the generating authorities in Australia to ramp up the power plants that they have been wheeling into gear to quickly generate electricity and feed it into the grid so that you can take it out of the grid somewhere else. That is understandable. There is a market which we have created. Hilmer has provided this nation and, by so doing, this State with that much benefit. So let us get on with it.

The Hon. G.M. GUNN (Stuart): I am not a great fan of Professor Hilmer or those economic theorists who have no understanding of the effects that some of these decisions will have on people who live in isolated parts of South Australia. It has been my privilege for a long time to represent the isolated parts of South Australia. There are many parts of South Australia which pay excessive amounts for electricity and other commodities and there are those which receive inadequate supplies of electricity or which have to supply their own. Anyone who has been in that unfortunate position of having to supply their own electricity would be aware of the great benefits of having a reliable reticulation system in South Australia.

One of the great things that Sir Thomas Playford did for the people of rural South Australia was to set up a network of electricity and extend it across the length and breadth of South Australia in cooperation with local government. That is one of the greatest things which has been done for isolated communities. It helped development. When Mr Keating embraced the philosophies of Professor Hilmer, that was all right according to the economic textbooks, but in my view in the future we will pay a heavy price, because I believe that investment in generating capacity will run down. There will be a run down of services, and consumers, particularly in isolated parts of the State, will miss out.

As long as I am a member of this place, I will stand up and vigorously defend the rights of those people to have fair access to the facilities provided by the State. For many years I have had the privilege of representing Leigh Creek, and this is the second term in which I have represented the Port

Augusta power station. It is a rather chilling experience to visit the power station at Port Augusta and look at the spot price of electricity on the screens and see how low the price got. The Victorians were selling electricity at a cost below what we could produce electricity for in South Australia. People say that that may be a good thing. It is not, in my view, because I believe that they are on a suicide mission in Victoria: the amount that they were charging could in no way have serviced the debt or enabled any funds to be put aside for maintenance or replacement and it was, therefore, quite a dangerous course of action. So, I believe that we need to be very careful in following in the footsteps of Professor Hilmer.

We have in this State a very efficient power-generating capacity. We are on world's best practice at Port Augusta. I do not know whether the House is aware that there were less than 200 people working at the power station at Port Augusta. We have spent \$60 million buying new dump trucks at Leigh Creek, which carry 240 tonnes per load. There have been tremendous efficiency gains in relation to that operation. One of the benefits of the privatisation of AN—and there are plenty of downsides—is that, for the first time, we will get a reasonable freight differential for the power station at Port Augusta. If that had not been the case, the whole operation would have been called into question because of the ridiculous price at which Victoria is selling its electricity, which is well below the cost of production.

In recent times, Optima Energy has made a considerable investment in the old Playford B power station. It has cranked up some of the turbines there because of the tremendous demand which was made last summer, and again recently. We want to encourage it to do that, because I am of the view that it is far better to use power generated in South Australia and to employ South Australians than it is to import it from Victoria or elsewhere. I am fully aware that there are benefits, and that a safety net has been created by the interconnection of the grid. I do not have a problem with that. However, I believe that we have to be very careful to ensure that we protect our own industry, our own jobs and our own capacity to be self-sufficient.

Those of us who know a little about history know the reasons why Playford took over the Adelaide Electric Supply Company, which was to benefit South Australians so that we had control of our own destiny. That is why the Leigh Creek coalfields were established—where we have an operation which has one of the finest records of coal to overburden of anywhere in Australia or the world. People want to clearly understand that our industry in South Australia is very efficient, it has been very well managed and it has provided very large amounts of revenue to the Treasury of South Australia.

I am no fan of Professor Hilmer because I believe that there are long-term problems for the people of South Australia, and particularly for those whom I represent. There will be other problems in the future because, if we are to develop our tourist industry, we have to extend the power grid elsewhere, and that will be at a cost to the taxpayer. If it is good enough to subsidise the electricity supply by some millions of dollars at Coober Pedy—and I have no problem with that—we have to do it elsewhere in the State. I have no problem with looking at solar energy, but I do not believe that it can meet the heavy demands of large tourist operations, or those other small communities. What has taken place recently at Blinman is very good, but we have to go further and extend the grid.

One of the things that disappoints me is that the gurus in Treasury continually want to extract every dollar out of the

poor consumer in these little isolated communities which do not have the benefit of all the other services of Government which you have in the bigger centres. So, I believe that a very good case can be made out for careful analysis of the Hilmer proposal, that there is a good case to provide services and facilities in isolated communities, at a cost to the taxpayer, because these people make other contributions and they have no alternative.

I have had to supply my own electricity for a period of my life, and I know the costs and I know the difficulties. I know what it is like to be without power for 32-35 hours at a time. Most people who live in a community such as the one in which I live have had to buy power packs because of the frequent occurrences when you are without power due to lightning—you buy a 5 or 6 kVA portable power pack and put an isolating switch on your switchboard to plug it in. We have accepted that, but I believe that any further plans to rationalise depots or do away with lines and gangs is very foolhardy and most unwise because it will create great difficulties for people in isolated areas. When there are thunderstorms in the middle of the night, with a huge network of SWER lines across the State, it takes a number of people to locate those damaged power lines, particularly when it is pouring with rain and their vehicles become bogged. I believe that the economic gurus who are pushing the buttons need to bear that in mind.

It is unlikely that they will be the ones who are off the electricity. It is a bit like the grasshoppers. I hope they reach Adelaide—then the rest of the community will understand the problem and will have some sympathy for those affected. If these people were to experience those sorts of blackouts, they would be marching in the streets, jumping up and down.

I am all in favour of efficiencies, and of being hooked up to Victoria and New South Wales, but I do not want to see this State dependent upon them. I think that would be foolish and unwise. I point out to the Deputy Leader of the Opposition that at this stage the only people I know who are talking about privatising the electricity undertaking are Mr Carr and Mr Egan, because they have an over capacity, as well as a large debt. Mr Egan was going to do some fairly slick footwork to get his hands on a lot of money to build some new hospitals, and Premier Carr thought it was a fairly good idea. I understand that he has had a few problems with that proposition.

In conclusion, I point out that it was this Government that gave the Parliament the opportunity to determine whether the power undertakings would be privatised in this State. I would need to be convinced before I could vote for that course of action.

The Hon. R.G. KERIN (Minister for Primary Industries, Natural Resources and Regional Development): I think we have had a fairly good debate. Some very important issues have been raised which fall a little outside this measure, but it was a worthwhile debate. To see the member for Ross Smith agree with the member for Stuart was good for us all. With respect to many of the issues that have been raised, competition policy does not necessarily rule out assistance in some of those areas, as long as those policy decisions are transparent and accounted for. It is important to keep that in mind.

The issue of the national electricity market and what it might mean for small business and employment in South Australia was raised on the basis of reliability of supply. It is very important to realise what it would mean for small business here with respect to competition both interstate and

overseas if South Australia did not enter the national electricity market. There are far greater concerns if the national electricity market existed and we were not part of it. I thank all members for their contributions. Once again, this Bill, like the previous two, has been dealt with very quickly by the Opposition and the Independents, and I thank them for their forbearance and for their contributions to the debate.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3.

Ms HURLEY: Clause 3(a) defines 'contestable customer' which I understand will be at the discretion of the Minister to some extent. The second reading explanation mentions that the determination of contestability will allow for special cases to be considered on merit, whereas a uniform load base definition would not. What sort of special cases does the Minister envisage may arise which will be considered on merit, and who is likely to benefit from any special exemption?

The Hon. R.G. KERIN: It is really to give flexibility. At the moment I certainly would not pre-empt any situation under which that would happen. It is there to give us flexibility. It certainly will not be over-used. It is really there in case there is something that has not been thought of to give us that flexibility, but at the moment I assure the honourable member that there is no particular circumstance under which that would happen.

Ms HURLEY: In paragraph (b), in the definition of 'electrical installation', 'of' is to be substituted with 'owned or operated by'. Will the Minister explain the flaw in the original definition? It seems to be a narrowing of the definition. For what purpose does this narrowing occur?

The Hon. R.G. KERIN: It is simply for clarification, because 'of' was seen as ambiguous, and 'owned and operated by' makes it a lot clearer.

Progress reported; Committee to sit again.

[Sitting suspended from 6 to 7.30 p.m.]

SITTINGS AND BUSINESS

The Hon. G.A. INGERSON (Deputy Premier): I move: That for the remainder of the session, Standing Orders be so far suspended in relation to Private Members' Business as to provide that—

- (a) unless otherwise ordered, the House meets on each Thursday at 10.30 a.m.
- (b) on Thursdays, Private Members' Business takes precedence in the following manner:
 - (i) 10.30 a.m.—12 noon—Bills, motions for disallowance of regulations and motions with respect to committees;
 - (ii) 12 noon—1 p.m.—Other motions, provided that—
 - (A) Notices of Motion will take priority over Orders of the Day in (i) and unless otherwise ordered, for the first 30 minutes in (ii);
 - (B) if all business in (i) is completed before the allotted time the House proceeds to (ii);
 - (C) if all business in (ii) is completed before 1 p.m. on Thursdays the

sitting of the House is suspended until 2 p.m.

- (c) the following time limits will apply—
 Mover, 15 minutes;
 One member opposing the question, as deputed by the Speaker, 15 minutes;
 Other members, 10 minutes;
 Mover in reply, 5 minutes;
 provided that—
- (i) an extension of 15 minutes may be granted, by leave, to a member moving the second reading of a Bill;
- (ii) leave to continue remarks may not be sought by any member, but a member speaking when the allotted time for that category of business is completed has the right to be heard first when the debate is next called on.
- (d) Notices of Questions ordinarily handed in by 9 a.m. on Thursdays must be handed in to the Clerk Assistant by the adjournment of the House on the preceding day;

provided that on Thursday 4 December the time allotted for Private Members' Business will be until 11.30 a.m.

Motion carried.

ADDRESS IN REPLY

The SPEAKER: As this is the maiden speech of the honourable member, I request that he be given the due courtesies of the House.

Mr HAMILTON-SMITH (Waite): I move:

That the following Address in Reply to His Excellency's opening speech be adopted:

May it please Your Excellency—

1. We, the members of the House of Assembly, express our thanks for the speech with which Your Excellency was pleased to open Parliament.
2. We assure Your Excellency that we will give our best attention to the matters placed before us.
3. We earnestly join in Your Excellency's prayer for the divine blessing on the proceedings of the session.

I would now like to refer to some of the matters raised by His Excellency during his address. I would also like to congratulate you, Mr Speaker, upon your attainment of the important office of Speaker. Further, I congratulate my colleagues who have joined me for the first time here in the House of Assembly and I look forward to working with them in the years ahead because we, like all our fellow South Australians, face great challenges as we approach the next millennium. I thank the people of Waite who supported me and the hundreds of people from within the Liberal Party and the broader community who assisted with my campaign. Their help was so vital to my being here today. I was reminded throughout the campaign that the basic values and beliefs of the Liberal Party stand it well to govern: political liberty, including freedom and dignity of people; development of national spirit; support for family values; and a desire to look primarily to individual initiative and enterprise as the dynamic force of progress.

Finally, I would like to congratulate Stephen Baker on his retirement from this House after 15 years of service, and I wish him and his family well in the years ahead. Stephen Baker left Waite in good shape and I thank him for his support and guidance.

I grew up and attended school in my electorate of Waite, which is an area full of history, full of heritage and full of

charm. There are few places on the planet which are better to call home: we enjoy high quality schools and medical and aged care services, and we have an outstanding urban landscape, which includes open space and architectural treasures. Living here you will find ordinary Australians: some are rich, some are poor, some are fit and some are disabled, some are in work and some are unemployed. All are vitally interested in the future of South Australia. As I grew up I lived in a South Australia that was charging forward. We were growing Adelaide and extending our population; we were building Elizabeth; and we were setting up factories to build cars and ships. Regional South Australia had blood pumping through its veins. Back in 1967 our State debt was less than \$1.5 billion. We had small government with eight Ministers and about 8 700 Government employees. Unemployment was running at about 1.6 per cent. As I left to begin a 23 year career as an officer in the Defence Forces, I felt proud of being a South Australian: we were at the front of the pack.

This is not the South Australia that I grew up in. Now, 30 years later, our government has grown to about 79 000 people, an increase of 900 per cent in three decades; we owe more than \$7.5 billion to overseas banks and creditors; and unemployment is running at around 9.7 per cent—32.3 per cent if you are young. These are figures which do not consider people with one hour of work per week to be out of work. We are not moving forward quickly enough. In South Australia—this great State—we are not trying hard enough to win, and it is the generation we leave behind who will judge this Parliament and these times.

I left the army as a lieutenant-colonel in 1993 and spent four years building a business, which now employs about 70 people. It has been interesting trying to create jobs in South Australia: at times it is a lonely task. I now come to this Parliament with a firm resolve to do what I can to help this Government continue to turn the tables in our favour.

Ahead is a struggle we must win. As a young lieutenant I served extensively in South-East Asia in the 1970s. I saw poverty and hopelessness on a scale beyond the comprehension of the many of us for whom a tragedy is the inability to afford this year's Reeboks. But in the 1990s I had occasion to revisit these ASEAN countries as a senior officer. Now life there is not idyllic, but they had gone forward. Where there had been kampongs, there were now lovely homes on nice streets with expensive cars in the driveways; where there had been open air markets, there were high quality department stores; where there had been rough roads I saw dual-carriage highways. In little more than 20 years the changes and improvements had been astonishing. Let us not be misled that the present economic hiccup in South-East Asia will retard for more than a moment the long-term growth and change there which is simply astounding.

In the same period, have we gone forward at anywhere near the same pace? Will we be able to keep up in the years ahead? South Australia is, of course, the best of places in which to live and work, and our neighbours are not without their problems, but unless we get going—and soon—we risk a twenty-first century in which our country will become nothing more than a farm, a mine and a tourist destination for wealthy foreigners who chortle with bemused candour at the opportunities forsaken by the lucky country.

It is not too late, but time is running out. Some vested interests and privileges will need to be swept aside. Economic common sense will need to prevail over ideology and sacred cows. After all, sacred cows make the best hamburgers. Consider for a moment our industrial system. Clearly, it is not

working. Confrontationist attitudes endure between some unions and employers. Instead of asking, 'How can I help my employer's business to succeed and grow so that I can earn more and so that a new job can be created?', workers are frequently encouraged to feel that they will be cheated as a matter of course.

Attitudes to work have certainly changed since our grandparents pioneered this land. We cannot go in to the twenty-first century with an award system designed in the industrial dark ages. We cannot produce and market tomorrow's goods with yesterday's industrial arrangements—cosy though they may be. I watched recently, with the rest of Australia, as television current affairs explained how we Australians operate some of the least efficient ports in the world while waterside workers take home pay cheques of \$90 000 to \$120 000 *per annum*. Coal miners, aircraft refuellers—the list goes on—enjoy salaries most battlers dream of.

Closed shops and restrictive work practices continue in this State but is the corresponding productivity there? Are we competitive? We have awards which stipulate penalty and overtime rates which no longer reflect the changes in society in regard to what constitutes normal hours of work and the traditional concept of the weekend. As businesses go under, swept aside are the jobs of young people who cannot get into the system, while many who are already there sandbag their encampments. Faced with uncompetitive industrial arrangements, businesses had to re-invent the basis for employment for many. Many permanent jobs have become casual jobs; full-time employment has become part-time. How else can business manage? It is little wonder that many of our industries struggle to compete. It is little wonder that while small business and farmers bust themselves in half to deliver world-class produce to the docks at the right price, subsequent transportation costs often render our goods non-competitive on world markets.

Some progress has been made thanks to the efforts of the present Commonwealth and State Governments, but it is not enough. We need simple, workable, winning industrial arrangements that small business can understand and implement. Microeconomic reforms to industrial arrangements require renewed vigour. This will require cooperation from all parties in this House, from employers and from unions. This is not a contest between Australian employers and Australian workers: it is a contest between Australia and the rest of the world. We need to work and we need to work to win. We can have the wages but we must also have the productivity.

We all know that South Australia is remote from markets both domestic and international. If South Australia is to grow its economy and compete with other States and countries for business it is not good enough to have industrial arrangements that simply equal those of our competitors: we must make them better and more flexible. We must give ourselves a competitive edge. I do not agree with those who say we cannot compete with ASEAN countries because of their access to cheaper labour. Mercedes Benz can do it; Sweden can build and sell jet aircraft. If Italy can dominate the high quality fabrics market and the USA can lead the world in computer technology, all without ASEAN labour markets, then why can't we? We can compete. We must compete.

The word 'compete' is very interesting. When you are rich, as we have been in this country in the past, you do not have to compete quite so hard. When you are poor, of course, you compete or starve. It is like the word 'profit': some people think it is a dirty word. In my thesaurus profit equals

jobs; profit equals economic growth; profit equals winning, not losing; profit equals higher wages for workers; profit equals more tax revenue; profit equals success; profit equals a future for the children of South Australia. Let us learn to enjoy the word 'profit'. The more profit the employer and workers make together, the better. Let us have workers and employers conspire together to grow business profits.

The public sector is critically important and has a job to do, but it will never significantly grow GDP. The only future for South Australia is private enterprise, which generates the wealth the public sector needs to do its job. It is widely recognised around the world that governments do not run businesses very well. They never have; they no doubt never will. Government is traditionally a soft touch on industrial matters. The absence of a profit motive holds back efficiencies in Government enterprises. Alternatively, the availability of the taxpayer to fall back on, in order to bail out poorly managed enterprises when they encounter difficulties, simply causes chaos.

Didn't Western Australia and Victoria find out about that in the 1980s? Didn't we learn about it ourselves in South Australia? Governments around Australia seem to be getting the message—indeed, Governments around the world are divesting themselves of their airlines, power stations and banks. If only our bank had been sold earlier. I am a new member to the House. I find myself compelled to ask some basic questions and explore some core problems facing South Australia. For instance, I would like to hear this Parliament conduct an informed and intelligent public debate that explores whether we need to retain, in the next century, Government ownership of power and water supply in this State.

In light of South Australia's present economic circumstances, if it makes economic sense for us to continue to own them, then I am for it. If, however, by floating these enterprises as Australian-owned public companies or by partly privatising them we can retain control, keep costs down for consumers, pay off debt, rid ourselves of crippling interest payments, avert the need for the taxpayer to fund future capital investment and possibly even create some new jobs and the potential for those industries to grow, then let us look at it in a sensible and open way. These are my personal views. I have an open mind on the issue. I would like to hear some positive and constructive views on the matter from other members of the Parliament.

We need to get South Australia moving. We need some smart answers to some difficult problems. Let us not allow vested interest and rampant ideology to hold us back or turn us from winners into losers. Let us leave no stone unturned. We can wait 15 to 20 years to pay off our debts or we can look for a quicker, smarter way. Let us not stop there. There are other micro-economic reform decisions we all must face.

The focus of this Government, the Opposition, unions and all of us in South Australia needs to be on getting our costs of business down so that we can compete. Let us on both sides of the House look at WorkCover, utilities costs, the way we structure superannuation and other costs to business and let us get serious about red tape instead of simply giving it lip service. Let us abide by our own guidelines for good rule making. Governments should not compete with business while at the same time performing the role of regulator.

Our Public Service needs leadership, and I congratulate the Premier for his decisive reorganisation of the Public Service to a smaller number of departments because, without such leadership and guidance, bureaucracy will gravitate towards complication, but for it to survive business needs

simplicity. Most importantly, let us all be prepared to have an honest look at tax reform. It is quite incomprehensible that in South Australia we tax employers for creating jobs, with one of the toughest payroll tax thresholds in the country. Let us not score political brownie points by scaring or misinforming people. The Leader of the Opposition keeps offering to pick up the telephone and help out. Here is the chance. Let us have some common ground and some resolve to come up with a fairer, more competitive taxation system. I feel certain that South Australians hope to see from both sides of the Parliament some leadership on taxation because, if we are not going to get business going, from where will the real jobs come? I hope that the Opposition will not propose that we simply dream up inefficient short-term taxpayer-funded schemes to soak up the jobless at the State's expense. Will we increase our debt even further to fund this? Of course, such options are not winning long-term options: they are a recipe for stagnation and defeat. Our welfare system is also under siege. As our population ages, sooner or later there will be too few taxpayers to fund it.

While raising the issue of welfare, I am reminded of my own family origins and early childhood. We were about as poor as it gets in South Australia in the 1950s—a large family with six children and virtually nothing, living in a camp. You do not have to be in the ALP to be born poor, to know when you have nothing or to know that it will be a battle to get ahead. You do not need to be told. I thank my parents, in particular my mother Barbara, for working hard to give us children a fair go in life.

There is no substitute for hard work: it is the secret to success. The concept that this country and this community owes everyone a living seemed to bubble up in the 1970s. Perhaps as Gough Whitlam's 1972 campaign slogan claimed, it was time for a change. Perhaps until then Australia was too focused upon full employment, creating wealth, economic growth and not enough on the welfare state. We certainly saw change, and we now have the national debt to go with it. It is now time to change again.

Those who work, study or look for work are the ones who should be rewarded. Those who put the most into our community should get the most out. Attitudes like those recently witnessed, again on television current affairs programs, stating, 'I don't want to work at McDonald's but I still want the dole,' are an affront to hard-working Australians of all ages who are trying to make it in life. Welfare is for the needy. We must extend particular compassion to those who as a consequence of physical or mental disability or some other tragedy need help. We must give and give generously, but welfare is not for those who, with help and guidance, can and should help themselves. Many Australians are angered by such excesses.

Our young people today are as good as they have ever been. They are bright, talented and full of potential, but what messages are we signalling to them? Some families in my electorate are telling me that they are concerned about the way in which Austudy and unemployment benefits are administered and so freely available to the young. They are telling me that they have concerns that, at the very time when parental discipline and effort is trying to focus children's attention on their future, the Government is undermining that effort by saying to kids, 'Here, have the money, leave home if you like, move in with your friends.'

Are we really providing the right messages and incentives for our young people to get out there and win? Are we working with families or undermining them? Are we rewarding those who try their hardest? Is the money we hand

out being well spent? Is it something for nothing, something for free, and therefore not to be valued? Is it delivered in a spirit of having been earned? How much of the money, not just that given to the young but to people of all ages, is being spent on luxuries such as pokies and alcohol, or on drugs?

It astounds me that there is still opposition from some to the concept of working for the dole. I, like so many Australians, believe that the concept of money for work is an empowering one for the jobless and one which reinforces dignity and pride. Perhaps our system should encourage all people who are unemployed by simply offering a taxpayer-funded job for two days per week resulting in a pay cheque. This might enable us to genuinely assist the jobless to prepare themselves physically, psychologically and emotionally for work. Should not joining the paid work force be everyone's long-term goal? I struggle with the words 'long-term unemployed'. A lifetime on taxpayer-funded welfare is not a future for people or for Australia. There must be hope.

It is education which is so vital to our society and to our children. In 1967—30 years ago—14.6 per cent of students attended private schools and 85.4 per cent were in the public system. In 1996, the private school figure had risen to 28.4 per cent. These statistics suggest that families are abandoning the Government schooling system in increasing numbers for private schooling. Why is it so?

The trend surprises me, because in my electorate our public schools are of extremely high quality, but across the State the shift is interesting. Could we have done things better in our public schools over the past 30 years? Are we meeting the needs of our education customers—the families of South Australia? There was resistance in some quarters to the testing of literacy and numeracy skills in our young. Anyone who knows anything about training and learning knows that a fundamental step in the design of learning systems is the evaluation and validation of those systems of learning. Only then can they be redesigned and improved upon. I commend State and Federal Government initiatives in this area. As the computer age deepens and high-tech communication replaces the written word, this challenge will become even greater. I note that the United Kingdom and the USA share our concerns about the need to test literacy and numeracy standards. For those who would argue that we should not have tests and exams and that we should not encourage children to compete, I ask how can we prepare a child for the challenge of life without encouraging a will to compete and win.

How is it that we can admire and respect competition amongst our young in sport as we approach the 2 000 Olympics and yet at the same time fail to prepare them for the competition of life? This point is not lost on our neighbours. The *New York Times* ran an interesting article on 23 November about what some Asian leaders are describing as the 'Pacific way' and 'Asian values'. Reverence for education has helped these countries prosper, as anyone who has watched young mothers in Seoul quiz their children with maths problems as they wait at the school bus would note. Photographs of Asian students praying at shrines for success in university entrance tests provide a thought-provoking contrast to Australia, where for many years during the 1970s and 1980s university education was given virtually for free and was therefore taken for granted by some. While the taxes paid by the poor were used to provide university courses for the rich, a plethora of unproductive and quite useless courses emerged, along with the onset of the professional student. I would not have been surprised to see a PhD course offered

on the mating habits of the South American spider monkey—it was getting to that point.

I commend this Federal Government on trying to bring some sense back into our system of university education. We have boldly taken steps to ensure that courses reflect Australia's needs and that the wealthy pay their way in order that those most in need can be provided for. In my electorate, the University of Adelaide's Waite campus is setting a world class example of well targeted course design in high quality teaching, and this is being achieved by the university with a focus upon sound fiscal management. These changes to higher education are necessary, because we need to redirect more education funding towards the very young. We need to focus upon early childhood education, primary schools and high schools.

In conjunction with my family I operate a business which provides kindergarten and long day care services to families. I declare this interest to the House while making the point that it is an area in which I have some knowledge and experience. In most cases children have set their course in life long before they arrive at university. They must be helped to become all they can be at ages 2 to 5, ages 6 to 12 and as young teenagers. It is not just about money: it is about high quality teaching programs and high quality teachers. It is also about behaviour management at our schools, a concern raised with me by parents, teachers and students alike.

In my electorate of Waite I have been extremely impressed with the quality of our schools, our teachers and the parents involved in our school councils. There is a 'can do' attitude evident at every school council meeting. It is pleasing to see the State Government spending millions of dollars refurbishing and extending Westbourne Park Primary School, Unley High School, Mitcham Girls High and Urrbrae High School. It is very apparent, as construction goes on in these schools today, that our Government has spent substantially more on education than the previous Labor Government. These funds have been found for schools with high enrolments partly by closing schools with low and declining numbers. The winners are children. I commend the State Government on its prudent use of scant taxpayer funds, but we need to do more. I have concerns that, for example, at Colonel Light Gardens Primary School, where the principal buildings are essentially unchanged since I was a student there in 1959 and 1960, we need to do more. The school and the Government are working on this together. We have more work to do.

There can be no greater challenge than ensuring that our young children get the best start in life. This is not solely a problem for the Government but for parents, teachers and for the teachers' union, who each share an important part in deciding what pressures will influence priorities for spending the education dollar. I hope that in South Australia we will continue to work together, that we remember that education is for children and that they always come first.

I visited aged care facilities within my electorate, and I left full of admiration for the dedicated efforts of those who care for our senior citizens often for little reward, recognition or remuneration. Theirs is an important task. The humanity of our society will, at the end of the day, be determined by the depth of compassion we show for the aged, frail and disabled and by the manner in which we provide for them. Funding for aged care is another of the fundamental challenges we as a community face together in the light of our ageing population and declining birth rates.

Old people are easily frightened. I hope that the solution to funding the capital investment needed to generate high quality care for our elderly in the next century can be found

by State and Federal Parliaments through cooperation rather than through confrontation. The aged should not become the subject of political point scoring and scare campaigns. I hope that political Parties both in Government and in Opposition have the good sense to do what they know is right for the aged and their families, rather than what they hope will salvage a few votes one way or the other. The aged should not be used as political footballs: they should be treasured and loved.

As urgent is the pending health care crisis as costs escalate and private health insurers struggle, Parliaments need to find solutions cooperatively before the system breaks down. As with aged care, it is becoming increasingly apparent in respect of our health system that the wealthy need to carry more of the burden, that those who can pay should pay. We cannot continue to ask the battlers to provide for those who earn higher incomes or who retire with substantial capital assets. We need to get the settings right, and in doing so we need to get the most out of the private sector so that we maximise efficiencies and minimise the taxpayers' burden.

No discussion of health can fail to make note of the blight of drugs and its associated crime. This is an important issue in my electorate. So many South Australian families have been touched by this curse. Drug users are, in the main, not hardened criminals or evil people—they are victims, they are sick. We need to stop treating them as criminals and to start treating them as people with an illness. I was disappointed by the decision not to proceed with the free drugs trial in the Australian Capital Territory. Prohibition has failed and has encouraged organised crime to proliferate. This problem will get worse before it gets better. We need to try something new; we need to look for practical as well as moral solutions.

Another issue of concern in my electorate is public transport. Colonel Light's vision for Adelaide could not possibly have included bumper-to-bumper traffic during peak hour on Belair Road, Unley Road, Goodwood Road and in other places. It is pleasing that the Government has also made a clear long-term commitment to the Belair railway line, which receives a disproportionate slice of maintenance funding and which is a major asset to the community of Waite. I commend the Minister for Transport and Urban Planning for this commitment, and I hope that in the years ahead we can make even better use of our railway system, our buses and our public transport network.

Another of the great challenges ahead is the protection of that which makes Adelaide such a special place to be: the quality of our lifestyle, our open spaces, our environment, and our cultural heritage. Within Waite there are a number of State treasures including: the Carrick Hill Estate with its fabulous building, exciting artworks and surrounding native bush; Urrbrae House and the encompassing arboretum, rose gardens and Mawson Museum; the nationally significant garden suburb of Colonel Light Gardens; and Old Mitcham Village with the adjacent Brown Hill Creek reserve. Most importantly, we hold in trust the Lower Mitcham foothills, which are so imperative to the atmosphere and context of greater suburban Adelaide. We have an urban landscape and local parks and streets which would be the envy of any city in the world. These gifts must be valued and protected not just for us but for future generations. They should not be taken for granted. The many community groups with whom I have met to view and discuss these treasures should be commended for their commitment to them, for if we do not care about them they might be swept aside.

I am impressed too with the recognition within our community that the best way to preserve our heritage, our

open space and our environment is to hold them out as special, to attract people to see them, and to value them. I have suggested to the Mitcham council and other groups that we develop a vision for a greater Waite tourist precinct to attract visitors and tourist investment to our area. Perhaps in so doing we might also create a few jobs for the young people of our community.

Our district provides yet another reason for visitors from overseas and around Australia to come to South Australia. We understand that the taxpayer cannot be expected indefinitely to provide large amounts of money to sustain these assets. Every avenue must be explored to enable these places to fund themselves. We will work hard to achieve this goal. This is important, not just for Waite but for the whole of South Australia.

It is an honour to be elected to this Parliament. I believe this is a crucial time in the history of our State. The next four years, straddling as they will the step towards the twenty-first century, will determine whether South Australia languishes or strides ardently forward. We need to develop a vision that ensures that we secure a winning future for this State, because we cannot go forward with yesterday's plans and preconceived ideas. The world is changing.

In 1968, when Paul Ehrlich published his best selling book *The Population Bomb* he triggered 30 years of persistent alarm, but now mounting evidence from rich nations and poor strongly suggests that the population explosion is fizzling. The free fall can best be seen in *The World Population Prospects* (1996 revision), an eye-opening reference book published by the United Nations. It shows that from 1950 to 1955 the global fertility rate, which is, roughly speaking, the number of people born per woman per lifetime, was five. That was explosively above the so-called replacement rate of 2.1 children, the level needed to keep a population from falling over time, absent immigration. By 1975 to 1980 the fertility rate had fallen to four children per woman. Fifteen years after the rate had fallen to just below three. Today the fertility rate worldwide is estimated at 2.8 and sinking. In 1990 about 6 per cent of the world's population was over 65; by the year 2050 this figure will be 15 to 19 per cent.

Consider our region: in 1950, roughly 32 per cent of the world's population lived in 'the West', the modern nations of Europe, North America, Japan and including Australia. Today 20 per cent do, and in the year 2050 it will be more like 12 per cent. The West has been the driving force of modern civilisation and democratic values: will that continue when its share of the population cake is only 11 per cent? Australia may become an even smaller picture postcard continent of pretty nice beaches and outback views with old wineries tended by old people with old ideas, or it may become a much more racially diverse place with a young growing population drawn from a range of ethnic origins.

If we are to grow in Australia and in South Australia we need to develop a grand vision for State development. How will we be able to argue in the twenty-first century that we Australians should retain 5 per cent of the world's land mass with only 20 million people in a global total of more than 6 billion to 8 billion? I propose that it is in Australia's interests and South Australia's interests to steadily and sensibly grow and increase our population. We are a nation of immigrants. Our future must surely be in increasing our population with young people drawn from overseas to settle in South Australia to help us develop our full potential.

Those who argue against immigration fail to recognise that a balanced mix of new Australians from a range of countries is our best investment in the future. They fail to recognise

that a growing Australia, which is ethnically diverse, best prepares us economically, physically and psychologically for what is to come. But first, or at least concurrently, we must create jobs. This will require some imagination and determination and some careful consideration of what type of economy we want in the twenty-first century.

We are well placed to retain the lead in automotive production and export. We could do more to encourage our defence industry exports, an area in which we have some advantages over other States. We should add the value to our natural resources so that we do not have to buy back the finished products from overseas. We must continue to embrace new technologies. South Australia, the Northern Territory and Western Australia need to formulate a vision to develop the north of Australia, and South Australia should become the lifeline which feeds and channels this growth using our railways, our roads and our lines of communication. Developing the economy in the north of Australia will be fundamental to the economic success and vitality of South Australia in the twenty-first century. It is also the place where most of the rainfall in this country falls, and for that reason alone the north is vital to our future.

South Australian companies should sustain and support this growth in the north. Our infrastructure and businesses are well placed to do so. I strongly support growth, immigration and cultural diversity, but I also support an Australia in which we are all Australians first and in which we proudly focus on that which unites us.

The issue of reconciliation with native Australians must be resolved, because there are other important issues that we must get on with together. The quandary in which we presently find ourselves is causing doubt and confusion and is holding up investment and South Australians jobs—most recently, I observe, by delaying aerospace industry developments in Woomera. The present reconciliation debate seems very much about the past 200 years, without consideration of the next 200. Has it become almost exclusively a debate between Australians who identify with British origins and Aborigines? What about those Australians, now and in the future, of Asian and other ethnic origins? In what perspective will history view this debate?

I grieve for the way in which Australian Aborigines were treated by early immigrants, but I also grieve for the shameful way in which later immigrants, such as the Chinese people on the goldfields of Victoria and other States, were treated, many of whom landed just south of here at Robe. I grieve for the treatment that we dished out to South Australians of German origin during the First World War and the Second World War: people were interred and townships were demolished or forced to disguise or disclaim their identities. I grieve for the Islanders who were forced to work on our sugar cane fields, and for the treatment and experience of Asian boat people and refugees. I grieve for all those who have suffered, and who continue to suffer, in the years since 1788. There has been so much suffering, not only by the Aboriginal people but by all of us. Reconciliation between native Australians and those who followed is an important national priority, but one which must be kept in perspective.

I have communicated to Mitcham council and community groups a proposal that we consider a form of celebration and an act of reconciliation within Waite. A local event is needed which will enable us all to come together in a genuine act of mutual understanding. In this we need to look to the future. It is particularly important for young people and Australians of all ethnic origins to be part of the process.

I look forward to this Parliament with enthusiasm and pride. I hope in my heart that all of us in this House prove able to set South Australia on a steady course for the twenty-first century. I hope that our debates are more about how to do it, rather than on what needs to be done. I hope that we give credit to one another for good ideas and good achievements. I hope that we concentrate on the issues that are important to South Australians and not to the trivia of personality politics and intrigue. I hope also that the men and women of the media help in this endeavour, and that their reporting of events aims to inform people rather than to simply entertain or amuse them. I hope, too, that the Opposition lets the Government govern and that the Leader of the Opposition does not let the affairs of this House become a fiasco in which the interests of the Labor Party are put first and those of South Australia are put last. I hope that the Democrats do not sell South Australia short, as Cheryl Kernot has, by trying to block legislation in the Legislative Council or by attempting to bring about unnecessary amendments. It is easy to be all things to all people when you know that you will never have to formulate a budget to pay for your dreams.

I respect and value our system of government and our institutions. As Sir Winston Churchill observed, our Westminster system is perhaps the least imperfect system of government known to man. We have our freedom. I have been to countries which are far less fortunate than we in this regard. Apart from our Constitution, I respect this Parliament and our Governor. I respect our Commonwealth Parliament and our Governor-General. I feel that, as an elected representative of the people of Waite, this is my duty. I also respect our monarch—not because of any particular affinity for the royal family or British symbols, but simply because the people of Australia have at present adopted a constitution which upholds the monarch and the other tenets of our system of Government.

If, as elected representatives, we do not uphold and respect our system of government, how can we expect the people of South Australia to respect us or the laws that we make and the things in which we, as a community, believe? Some Australians—some South Australians—seem to be having an identity crisis. I am not one of them.

I have never had any difficulty in recognising myself as an Australian. Neither did my great-uncle, who was killed at the Battle of Messines in Belgium in the First World War; nor my grandfather, as he sat in a trench with mates at Tobruk in North Africa and in New Guinea in the Second World War. Neither did Sir Henry Parkes, John Curtin, Donald Bradman or Weary Dunlop.

I look forward to the Constitutional Convention with an open mind. If we can develop a better system of government than that which we have at present, I am for it. I await with interest those who seek change to make their case. In the meantime, I will uphold, as I have sworn to do, our present arrangements.

I do not stand with those who believe in a self-imposed purgatory wherein you try to disown what you have today while you think about what you might like to have tomorrow. If tomorrow brings change I, like all Australians, will then respect and uphold the new Constitution and the new arrangement. Until then, I look forward to playing a small part in an important mission, that is, to tackle issues that will advance South Australia, its economy, its interests and its people today and tomorrow.

The SPEAKER: Before calling the member for MacKillop, I remind members that this is the honourable gentleman's maiden speech.

Mr WILLIAMS (MacKillop): I second the motion for the adoption of the Address in Reply. On behalf of the people of the district of MacKillop, I would like to congratulate and thank His Excellency for his address to the people of South Australia setting out the agenda of his Government in this the Forty-Ninth Parliament. I also extend my congratulations to you, Mr Speaker, for your elevation to your high office, and hope and pray that the deliberations of this House under your control are conducted both effectively and efficiently for the benefit of all South Australians.

To all my parliamentary colleagues, I offer my congratulations, particularly to all the new members who have taken the challenge to represent their electors here. Lastly, I congratulate the Government on its return to office and note with interest that it is the first time that a Conservative Government has returned to office in South Australia since the election in 1962, 35 years ago.

At this point I wish to acknowledge the contribution of my predecessor Dale Baker, who represented the electorate of MacKillop since its creation in the 1991 redistribution and, prior to that, the electorate of Victoria from the 1985 election. Although he would most likely rate the highlight of his political career as being the Leader of the Opposition, I believe that his most valuable contribution to South Australia was his work on amendments to the South Australian Electoral Act which saw changes from an inequitable system based solely on the principle of having equal numbers of electors in each electorate to one in which electoral boundaries are now drawn so that the make-up of Parliament reflects the two-Party preferred vote of this State. It is worth noting that without those changes, in this Parliament, the Government would be formed by a Party that received less than 50 per cent of the two-Party preferred vote.

Before I leave this subject, I would like to speak briefly about some political comment that was made in the media after the recent election. The comment to which I refer was the criticism of the preferential voting system and calls for the return to a first-past-the-post system. The first I noticed was an offhand comment by Terry McCrann in the *Advertiser*. This was followed in the 'Letters' section of the *Advertiser* and also by a lengthy article in the *Border Watch* in Mount Gambier.

South Australia has a proud history of electoral reform, including the pioneering of full adult franchise. The strength of democracy depends on the electoral system being fair on the principle of every man and woman being given an equal say, for it is only when every person has an equal stake that they will strive to protect the system.

The preferential system satisfies the aforementioned criteria better than others because it allows every person's vote to determine the final outcome of the poll. Importantly, in addition, this system also allows the electorate to express its support or otherwise for minority viewpoints, thus giving insights into the feelings of electors that would be unavailable under other systems.

It is also my belief that the final result would rarely be different if a first-past-the-post system were used. Whilst there is no evidence to suggest that any members of this Parliament share the views expressed against the preferential system, it is important in my view that we refute any potential undermining of our existing fair and equitable system.

As I have already stated, the electoral District of MacKillop was created by the 1991 redistribution, with some 26 000 square kilometres within its boundaries, making it the fourth largest electoral district in the State. Of course, the name

MacKillop is in honour of Mother Mary MacKillop, who founded the Sisters of St Joseph in Penola in 1866. It is most likely that, after a working life given up to the care and education of the isolated and underprivileged, she will soon be canonised and become the first Australian saint.

The electorate takes in most of the South-East of the State, starting in the north-west on the shores of Lake Albert and the town of Meningie, stretching to the Victorian border, and including the towns of Coonalpyn, Tintinara, Keith and Bordertown. From this line the electorate stretches southwards, bounded by the Victorian border in the east and the southern ocean in the west, and including the major towns of Naracoorte, Penola and Millicent. The electoral district based on the City of Mount Gambier forms the southern boundary.

As it is such an expansive area, it is not surprising to find a huge diversity of enterprises and pursuits, although most of them are based around primary industries. Prior to white settlement and drainage, much of the South-East regularly became flooded, to the extent that not only were agricultural pursuits severely hampered but even travel was difficult and hazardous, with the mail taking twice as long to reach Mount Gambier from Adelaide as it took to travel a similar distance from Melbourne.

George Woodroffe Goyder, the Surveyor-General who did so much to shape the future of South Australia, said:

'My opinion is that from Salt Creek southwards, the area of South Australia is equal to 7 600 square miles, and in every wet season, half of that is under water. The depth of the water varies from one to six feet, and some of it is never dry.'

In the early 1860s, a few cuttings were made to allow some of this water to escape westward to the sea. This was principally done to allow travel. In 1867 a gang of 100 men was selected by Goyder and sent to the South-East to begin the first drainage scheme. Since that time to the present, drainage works have been carried out, and are still progressing, to change the landscape of that region and to allow some of the most fertile and productive agricultural land in South Australia to realise its full potential.

Water is what sets the South-East apart. The majority of the region enjoys a higher rainfall than most of the rest of the State. When the rains cease in the spring, the region is blessed with substantial supplies of underground water of mostly fair to good quality. This has meant that stock water has never been a problem, and more recently this resource has been used extensively for irrigation. For many years a valuable lucerne seed industry has flourished in the Keith area, based on flood irrigation. Ironically, this area was previously known as the Ninety Mile Desert.

In addition, some graziers have traditionally utilised areas of irrigation to finish stock for market out of season. The potato, dairy and viticulture industries are all well established in the electorate and have all relied heavily on irrigation. Aquaculture, involving yabbies, as well as scale fish, including barramundi, is a relatively new venture utilising this resource. Many horticultural crops new to the area are being introduced and specialist seed growing has become an integral part of the South-East economy.

To give an indication of the importance of the MacKillop electorate to the economy of this State, I will quote some agricultural production figures collected by the ABS. The area, though not recognised for cereal production, in fact annually produces in excess of 90 000 tonnes of wheat, or 3.4 per cent of the State's crop, 16 000 tonnes of oats and 94 000 tonnes of barley, which equate to 10 per cent and 5 per cent of the State's production respectively. Other field crops and their per cent of State production include lupins (27 per cent),

canola (32 per cent), safflower (68 per cent), sunflower (57 per cent), coriander (53 per cent), fava beans (40 per cent) and potatoes (25 per cent). The area also accounts for over 60 per cent of the State's vegetable seed production and approximately 30 per cent of the land area dedicated to cut flower production.

Some 16 per cent of the area sown to vegetables for human consumption is in MacKillop, and presently over 15 per cent of the wine grape production of South Australia comes out of this area. This figure will rise dramatically over the next few years as new vineyards come into full production. Although these figures are impressive, when one considers that the area of MacKillop represents only about 3.3 per cent of the State, one notes it is in the field of animal production where the value of this region to the State is fully appreciated. Approximately 25 per cent of the sheep and lamb flock of South Australia are held in the area and, though only 9 per cent of the dairy cattle are grown here, almost 50 per cent of the State's beef herd graze the fertile paddocks of MacKillop.

Before the end of last century, far-sighted endeavour saw the beginnings of what has probably become the single most important industry in the South-East—the forestry industry. In my electorate, tens of thousands of hectares have been dedicated to softwood plantations and, more recently, hardwood plantations are appearing. Although the State Government initiated it and is still a major player in this industry, farmers are now planting a greater area each year than are the Government foresters. This is a major shift in sentiment, as the farming community has long been singled out by the environmental movement over past clearing practices.

Although farmers are not going to recreate the original natural forest and bushland, commercial forestry will play an important role into the future, reducing the atmospheric carbon load. From an environmental perspective as well as an economic standpoint, farm forestry should be encouraged by all possible means. This is the case with our Federal colleagues, who recently called for a trebling of our plantation forests and are putting their money where their mouth is. Indeed, in the Upper South-East, it will be one of the essential weapons to reverse the growing dry land salinity problem.

I mentioned that the Southern Ocean forms the western boundary of MacKillop and, indeed, is the source of even more wealth, primarily through rock lobster, which is brought ashore at Kingston, Robe, Beachport and Southend. Other species are also fished along the coast and in the inland waters. In short, between one-quarter and one-third of the State's agricultural incomes comes from the region. Of course, not everybody who lives and works in the South-East is a farmer, a fisherman or a forester, but the majority of those who are not either service those industries or value add to the products of those industries.

The economy of the South-East relies on the well-being of the rural sector and is closely related to the various commodity prices. As we all know, the crash in wool prices in the late 1980s saw dramatic changes in the fortunes of rural South Australians and, in turn, rural and regional towns have experienced a steady decline since then. Although the South-East is a bountiful region, it has not been immune to the harsh economic realities which occur when commodity prices crash and individuals' incomes disappear.

I have presented this brief sketch of MacKillop not only because of my pride in the region and the wonderful people who live there but so that all the members of this House can appreciate the importance of rural South Australia to the well-

being of this State. It is my desire that, whilst this House is considering legislation placed before it, members have some empathy with those hard-working country cousins who, in spite of the harsh working conditions, in spite of the fact that they daily face the tyranny of distance over rough and dusty roads and in spite of the fact that they have limited access to Government services—not to mention floods and fires as they come and go—continue to produce wealth for us all to share. I in no way wish to imply that these people are doing it any tougher than the average South Australian, but I would like to explode the myth that the South-East is full of wealthy graziers.

Many issues considered in this place have a great effect on my electors, and I would like to address some of them. I have mentioned water in relation to the South-East. I have mentioned that we have substantial rainfall and I have referred to floods and drains. I have also mentioned underground water and irrigation. I have indicated where the wealth of the South-East is created and the contribution that wealth makes to the well-being of this State. Hopefully now members understand the relationship between this wealth and the water. I can assure members that the relationship has not escaped the notice of the population of the South-East and, in particular, the land-holders who rely upon it.

The land-holders realise that their future viability relies upon it, and those whose present enterprises are showing a profit are installing irrigation infrastructure, while those whose economic fortunes must wait for an upturn in their particular industry would wish to make the same decisions for their own and their children's future. Unfortunately, the underground water source is a limited one and will not allow for all the South-East to be irrigated sustainably. In fact, it is estimated that the sustainable yield would allow something less than one-fifth of the land area to be watered.

This has drawn the Government's attention to the need for a management regime so that the resource may not be harmed through over-utilisation. Some years ago parts of the South-East, namely the Padthaway, Keith and Bordertown areas, as well as the 20 kilometre zone right along the border, had the underground water proclaimed. This meant that the land-holders required a licence to extract water from the common resource and through the licensing system management was achieved. In these areas the available resource was allocated on what was known as a demand basis, that is, those land-holders who requested a water allocation were given it and as much as they wanted. Of course, at the end of the day the resource was fully allocated and any new applicants were turned away empty handed. The result of this process was that some landholders now had in their possession licences for large allocations of water whilst their neighbours might have had none.

It appears that at least some of those who applied and obtained water licences did so partly, at least, because they saw the future value in dollar terms, as these licences are tradeable. Stories abound of land-holders who have rarely used the water they have applied for but are now willing to sell their licence to a neighbour. Whether this was the original intention or not, it is worth noting that the available data indicates that, even though the resource has been fully allocated for many years, in most of these areas only about 60 per cent of the amount allocated is actually used in any one year. It is also worth noting that, in some areas, the water licence over a piece of land is worth more than the land itself. What does this all mean? It means that, as a result of Government policy, a resource which land-holders had previously believed belonged to all of them, through their

ownership of the land, was now given—and I emphasise 'given'—to a few.

Those few were also given the right to sell that gift at any future date, realising huge windfall profits. This policy has been proved to have done nothing to promote development and, in fact, examples are available of the opposite occurring. The shame of it is that it has made some people very wealthy at the expense of their neighbours. It has taken part of the asset value of those land-holders who were unfortunate to miss out in the race for a water allocation and given it to the race winners. Remember, this story is about a policy that was adopted some years ago covering some small specific areas.

Now, let us look at the rest of the South-East. Earlier this year the Government took the decision to proclaim most of the rest of the South-East with regard to underground water, to once again allow for the management of the resource. With the value of the knowledge of what had already occurred, as I have just outlined, it was decided that a different approach would be taken: an interim policy was released in late May which basically said that, if any land-holder were to apply to extract from the common aquifer, an amount of water commensurate with the recharge contributed to the aquifer from his land would be available. All the lessons had been learnt: a fair and equitable allocation plan had been put in place and no farmer would be disadvantaged. No farmer would be given something to which he had a right to sell at a future date at a huge profit to the detriment of his neighbour. No longer would there be vast differences in land values depending on whether or not a water licence was held.

Unbelievably, within the space of a month that policy was changed to one that looked like the one of old, the one where speculation was the name of the game and where those with the greatest economic power could increase their wealth at the expense of the less fortunate. This policy is still in place and, despite the relevant Act setting out a review process, everyone in the South-East knows that, by the time that process runs its course, much of the resource will already have been allocated and there will be nothing left to review. I implore the new Minister responsible for water resources to revisit this interim policy and consider all of the ramifications, including the environmental concerns and the adverse effect which it may inflict upon growth in the timber industry.

This has been a very brief outline of the water issue in my electorate and has not covered many of the concerns of my electors or myself. I now leave that issue, except to note that, without the intransigence of the Government over the policy I have just described, I believe I would not have enjoyed the electoral appeal that I did on 11 October.

Another major concern of mine—and it affects every electorate outside the Adelaide metropolitan area—is the decline of rural and regional communities. In many country towns this decline is exacerbated, if not triggered, by the centralist policies of all levels of Government. Historically, the State Government employed considerable numbers of staff in country towns in areas such as transport, water, sewerage and electricity supply, as well as the education, policing and social welfare areas.

Rationalisation has seen a steady drift of families who were delivering these services from country towns to regional centres or to Adelaide. These policies have no regard for the social cost to the communities involved and often leave a level of service delivery which is less than desirable.

A publication by the Council of Small Business Organisations of Australia and the Federal Department of Transport and Regional Development called 'Jobs in our Regions' came over my desk last week. This book was published only last

month, and though its case studies are from Victoria and New South Wales I believe its conclusions are equally relevant to the situation in our State. I would like to quote from the executive summary of the chapter entitled 'Loss of Services':

Decisions to recentralise regional services and production facilities are usually made to increase the effectiveness of individual organisations, yet the cumulative effects of these decisions are devastating on regional communities. Our research has confirmed the absence of any systematic assessment or analysis of the impact of closures on regional economies, despite the issue being of major concern. In many cases it is likely that the overall direct costs to the nation in handling the transfer payments and loss of regional infrastructure may outweigh the direct benefits to the agencies concerned, especially those in the public sector. Without solid analysis these impacts cannot be assessed. At the very least, our public sector needs mechanisms that cross portfolio responsibilities and that are able to balance the real costs and benefits.

Rural and regional South Australia have paid a very heavy price in recent times and the quote I have just used questions whether there is, in fact, any net benefit at the end of the day. Whilst I am in no way advocating waste or inefficiency, I believe that some cost must be put on the social consequences of Government decisions and should be taken into account whenever these decisions are being taken.

I also have difficulty understanding why more Government administrative clerical-type jobs could not be situated in country towns. This State is trying to sell itself as a place where people can locate operations using modern communication technology, to do business throughout this part of the world. If we were serious in this endeavour, surely we could demonstrate the feasibility through the devolution of some of our own services to country areas using the same techniques. One of the benefits would be that the children of country people would have a better chance of finding employment within their own communities, lessening the social dislocation that happens at present.

In addition, I hope that during this term of Parliament I may be able to help some of those small business operators who, in spite of the rhetoric over the years, are still weighed down by the burden of red tape. As a small business operator, I am acutely aware of the impediments to employing extra labour. Most small business operators seem to find it easier to work a few extra hours per day themselves rather than grapple with the paper work and regulations.

I have already described my electorate as being amongst the largest in the State and, prior to the recent round of local government amalgamations, it contained no fewer than 11 local government authorities. Presently, there are seven separate councils with local government boundary reform proposals which would have the effect of reducing this to five. Three of the councils involved are opposed to the board's proposals, and in at least one of those council areas emotions have been running so high that I fear irreparable damage will be done to the social fabric of that district—if that situation has not occurred already.

This council recently carried out a survey of electors and, from a return of almost 75 per cent of the questionnaires, over 65 per cent were against the amalgamation proposal. Yet the Boundary Reform Board presses ahead. These people have asked me why they are having so much pressure put on them when their counterparts in the city seem to be ignored by the Boundary Reform Board. Is this the case? Either way it is my belief that these local communities should be allowed to make their own decisions in this area. At present, they merely want to be able to take some time to watch those who have been through the process and to compare the actual outcomes with those predicted before the event—before they take the plunge to dilute the 'local' part of local government.

The trend apparent in this country to follow the North American experience with regard to litigation has long been of concern to me. It seems that many in our society are only too eager to seek redress via litigation. For situations which in previous times would have been seen merely as natural hazards of life, we have come to expect infallibility from service providers and, if a level of perfection is not attained constantly, those providing the service face potential court action. This, of course, impacts negatively upon the provision of service in rural areas. A case in point is the fact that in many rural towns obstetric services are now no longer available because the doctors cannot perform enough procedures each year to cover the cost of indemnity insurance.

Another manifestation of the same trend is the reluctance of many to accept responsibility for the consequences of their own actions. This problem was recently highlighted outside this State with the case using what was labelled the 'drunk's defence'. The case rightly caused public condemnation, and I am keen to see the availability of this defence removed in South Australia even though it may never have been used. Whilst I do not wish to protect negligence and realise that common law impacts in this area, I believe that where we can we should ensure that statute law does not encourage this trend and, in fact, should point to the principle of people being responsible for their own actions. Just one example of what I am talking about is found in the new Liquor Licensing Act requirements which appear, even though it may be unintentional, to have the intention of making bar staff accountable for the subsequent actions of their clients.

In conclusion, I express my sincerest gratitude to those people who actively worked to aid my candidacy during the recent campaign. To win a blue ribbon seat I had to convince a lot of people to change a lifetime-long voting pattern. This was achieved largely due to the efforts of many people who were brave enough to stand among their peers and advocate change. They did this out of pure frustration—not with economic management but with Party management. May I remind the Liberal members that they are the custodians of conservatism in this State; that many South Australians are relying on them to demonstrate to the electorate over the next four years that they are capable of shouldering that responsibility.

The future of this great State, I believe, depends upon men and women being able to pursue their interests unfettered by undue Government interference and being able to improve their lot and that of their children through hard work in the knowledge that they will reap the benefits through a rigorous and dynamic free enterprise system. I second the motion for the adoption of the Address in Reply and I commend the motion to all members.

The SPEAKER: Before calling on the member for Kaurna, I remind members that this is the honourable member's maiden speech.

Mr HILL (Kaurna): Sir, I congratulate you on your election as Speaker. I am sure that under your reign we will enjoy strong and fair decision making in this House. I also congratulate the Premier and the Government on their re-election. Unlike the last Government, this is a Government on notice, and that is how it should be. Congratulations, too, to the many new members, the majority of whom I am pleased to say are on this side of the House. As the State Secretary of the Labor Party over the past few years I am full of pride, and some astonishment, that so many of my marginal seat colleagues were elected on 11 October.

I also note with regret that our candidates in Hartley, Quentin Black, and Stuart, Ben Brown, missed out by such small margins having run very strong local campaigns; and I am hopeful that, in the future, they will join us here. I extend, too, my congratulations to the Leader of the Opposition. His contribution to the revival of Labor's fortunes cannot be overstated. Written off, attacked, ignored, he maintained his composure, his strength of character and his determination. These qualities were particularly on show during the election period itself when the unremitting, negative and highly personalised advertising campaign of the Liberal Party was directed against him. Despite all of this, the Leader maintained his cool, his focus and his direction.

Labor under Mike Rann may not have won the election but with a 9.4 per cent swing we certainly won the election campaign. The question has to be asked: why did the Liberal Party do so badly? First, there is the perception that this State is on the wrong track, and that perception is very widespread. Secondly, and most importantly, the division and disunity within the Government, culminating in the Macbeth-like overthrow of one Leader with another, was seen to be and is still seen to be unfair and unnecessary.

Thirdly, the Liberal Party's highly personalised campaign based as it was on negative messages, guilt by association and fear just did not work. People wanted answers to problems. They wanted a vision for the future. They wanted leadership. The Liberal Party's obsession with secrecy and control, mixed as it was with continual State Bank rhetoric, was the opposite of what people wanted. If anyone doubts this, ask the Liberal members who lost their seats at the election. I pity them because they were left with nothing but negatives to promote. They had nothing positive to say to electors about what a second Liberal Government would do for them and for South Australia.

By contrast, with only a fraction of the resources, Labor presented a positive and united front. We presented a clear and positive policy platform that addressed the concerns of the community. The great television debate was the icing on the cake and crystallised the difference between the two Leaders and the two Parties. The telling moment was when the Opposition Leader offered to work with the Premier—win, lose or draw. This was exactly the message the electorate wanted to hear. It was what is necessary, but the Premier rejected the offer, as he still does, judging by his answer in Question Time yesterday.

Has the Premier learnt from the election? Has he heard the message? On the evidence to date the answer has to be a resounding 'No'. The Premier and his Government are proceeding in the same old arrogant way. He ignores offers of cooperation; unless he gets unquestioning support he threatens to bring on a new election, and his Ministers will not allow public servants to brief shadow Ministers without political observers being present.

One thing is for certain: whether or not the Premier supports a no-confidence motion in himself, the people of South Australia certainly did on 11 October. His job is not secure. It will be interesting to see for how long members in marginal seats stick with him, especially those whose margins will be trimmed by the forthcoming electoral redistribution.

One of the good outcomes of the election for South Australia is that the State Bank is now a dead issue. It has been a dead weight around our collective necks for long enough. Voters on 11 October said, 'Enough is enough.' They want us to be positive and to get on with building the State. The State Bank was a tragedy for South Australia. We must never forget it or dismiss it, but we have to learn from

it. We now, finally, have to put it behind us and look forward to the future with hope and confidence.

I thank and pay tribute to an institution that is now 106 years old. I refer to the great Australian Labor Party—an institution which is greater than the sum of its parts, an institution capable of enormous change and fixed commitments. I am very grateful to the Labor Party and its members for supporting me and giving me the great opportunity to work for the people of South Australia as a member of this House.

On a personal note, I thank my wife Andrea and our sons for the sacrifices they have made and continue to make in allowing me to pursue my political goals. To my friends and supporters, some of whom are here tonight, who have continued to encourage and support me in times both good and bad, I thank you. Special thanks to the electors of Kaurna who have put their faith in me to represent them and their interests. Having stood and lost in 1993, I know that I cannot take their support for granted.

Today is the one hundred and forty-third anniversary of the Eureka Stockade—one of the defining points in Australia's history and an extreme example of the excessive use of State power. Today is also the twenty-fifth anniversary of the first full day of the Whitlam Government. Without drawing any parallels, I am pleased to be making my maiden speech on this day.

I turn now to a number of policy issues. First, I refer to my great passion in public policy, namely, education. I came to South Australia in 1974 at the age of 24 to become a teacher. This was the Dunstan era, and South Australia led the way in educational reform and innovation. During the 1970s and 1980s our schools were the best in Australia. We were the benchmark against which other schools and systems were judged. Sadly, as with so many other areas of public activity, South Australia has become the State where 'average' is now good enough.

After the family the school is the most important social institution, and for children from families which are dysfunctional it is the most important institution. Schools have the power to transform individuals. They can make a difference. Our public education system has traditionally given bright children from working-class families the opportunity to change their circumstances. They have been the busters of the class system that has rotted the old societies. More recently our schools have been able to ensure that girls are given greater opportunities to succeed.

It is in this context that I comment on the very ignorant debate about literacy promoted by the Federal Schools Minister David Kemp. He seems to believe that literacy levels can be improved by taking resources away from schools where the levels of illiteracy are greatest. What his approach ignores is what research over decades has shown: there is a high correlation between illiteracy and poverty. Why this is so is quite complex: it has to do with the pressure poor families are under, the paucity of physical resources, worry, lack of permanent housing, cultural difference, lack of learning opportunities such as a place to study, books and computers at home and, as is often the case, parents who, too, are illiterate. Where there are large numbers of children from poverty circumstances in a school, the teaching job is much harder. Expectations are often lower and fund-raising is more difficult—the pressure is really on.

What does the Federal Minister suggest?—punishment for those people. Over the past four years the State Government has substantially reduced resources available to our schools. There are now bigger class sizes, fewer school support

officers and fewer School Card recipients. These cuts have the greatest effect on schools where poverty is greatest. They are the ones least able to compensate. These are the schools where the greatest literacy problems exist; yet Government policy makes it more difficult for teachers to achieve the goal that Government policy says is top priority, that is, improve literacy.

I do not object to the testing of students or the identification of learning problems. They exist in all schools to some extent and it is sensible to know where the needs are. What I object to is the public relations con job that is implicit in the fairly superficial testing that is done under the basic skills test banner. There are no simple solutions to the problem. Illiteracy is a social issue as well as an educational one, because the circumstances which create and perpetuate illiteracy are in most cases social. If we want schools to help, we have to disproportionately fund those with the greatest number of children from poverty backgrounds and that means significantly smaller class sizes, more resources and specialist help.

The second great education issue of the day is the alarming drop-out rate from secondary school. The statistics will be familiar to members. In 1993, 93 per cent of students completed year 12. By 1996, this figure had declined to 69 per cent for girls and 57 per cent for boys. It is now worse than the Australian average. Why is that? There are a number of reasons. Education cuts have reduced options, a lack of job opportunities has reduced expectations and SACE is probably too demanding for many young people. At a time when we know that there are dwindling numbers of unskilled jobs, we have a growth in the supply of the unskilled. This is an area in which the Government must give a much higher priority.

During the election campaign, Labor advocated the introduction of an alternative program of education called SAVE—Schools and Vocational Education. When successive Governments abolished technical high schools, they probably threw out the baby with the bath water. SACE works exceptionally well for the majority of students and should not be modified or watered down. It is a rigorous and demanding qualification for those pursuing further academic qualifications. Unfortunately it is not appropriate or desired by all students.

We need to develop an alternative pathway for other students, the ones who are dropping out, one which mixes practical work-related skills with the basics of reading, writing, mathematics and computing. I know that many schools are moving in this direction, and I mention and congratulate in this regard two schools which service my electorate, Willunga High School and Christies Beach High School.

But more than this, Governments at all levels must introduce an across-the-board policy for young people. As a community we should ensure that, as a matter of right, every young person has access to education, training or work, or a combination of some or all these elements. Most young people want the opportunity to succeed. We have a duty to make sure they get those opportunities. It is an obscenity that the first income many young people receive is a dole cheque. This is not the start in life I want for my kids.

Merely abolishing the dole and replacing additional responsibilities on struggling families, as the Federal Government is doing, is not the solution, nor is its tokenistic work for the dole scheme. Federal and State Governments should commit themselves to guarantee opportunities for all young people. Just as earlier generations made public education the standard for six to 15-year-olds, we should now

go the next step and create training, education and/or work opportunities for every young person of, say, up to 21.

Instead of monuments and brass plates to greet the next millennium, let us have a proper youth policy for everyone up to the age of 21 to celebrate the beginning of the twenty-first century. Of course, such a policy would cost, but how much does it cost us now in wasted opportunities, the payment of welfare benefits, suicide, drug and alcohol addiction, law enforcement, and so on?

Employment was the No. 1 issue at the most recent election and probably every other one in living memory. For over 20 years Australians have seen their jobs and job security erode and disappear. A recent article in the *Sydney Morning Herald* stated:

Australian businesses and Governments have retrenched 3.3 million workers in the past 12 years in a massive downsizing of the nation's workplace.

That is about one in two full-time workers. The article continues:

Two-thirds of these retrenchments are in blue collar or low-skilled sectors of the economy. . . . Men account for three-quarters of the job losses despite holding only two-thirds of full-time jobs.

Any net job growth in the 1990s has been in part-time or casual work. This is economic rationalism in action: reduce labour costs to become more competitive and ultimately wealth and prosperity will come our way. We have seen plenty of job cutting and no doubt some individuals are much wealthier and more prosperous, but the community generally is worse off. The difference between rich and poor is greater than it has ever been, the number of long-term unemployed and never employed is growing, and full-time jobs are disappearing at an alarming rate.

There is widespread insecurity and fear about the future, especially among workers in my age group. Economic rationalism may be great at the micro level, but the accumulation of all these individual acts of downsizing is a society where unemployment is high, where people are afraid to spend and where couples worry about starting families and taking out home mortgages. This imposed economic value is seriously threatening our way of life.

Let me now tell the story of two constituents who are victims of economic rationalism. The first, a young woman, is out of work. She approaches the CES and is told to see a private agency to seek their help. The agency puts her on its books and eventually places her in a factory manufacturing car components. She likes the work and is told that she may be made permanent at some stage. Then one day after a couple of months she receives a phone call after work from the agency, informing her that the company no longer requires her services. Why? The agency cannot say. Next day, upset, she rings the company. 'Don't ask us,' they say. 'You didn't work for us: you worked for the agency.' So, she decides to take an action for unfair dismissal against the company. But she is not allowed to do this: she has to take the action against the agency. But they say, 'We haven't sacked you: you're still on our books; you just have less hours.'

This young woman was caught by a classic catch-22. She did not even know who her employer was. Her case is becoming the norm. As I understand it, there are now over 600 labour hire firms operating in South Australia of vastly different standards and ethics. How does enterprise bargaining operate in this environment? Which enterprise does my constituent bargain with—the company or the agency? If the agency supplies services across a range of industries, what sense does an enterprise agreement make?

The second case involves a young man who, desperate for work in nursing, took a job in a nursing home where, despite limited qualifications, he was expected to dispense medication. The ordinary hourly rate for the work is \$13.41. Over a two month period he was underpaid by over \$4 300. He was being paid a flat \$7.50 an hour to look after aged and invalid persons. In one typical week he should have been paid \$674.75; in fact he was actually paid \$273.75.

As I understand it, all the nursing home workers were similarly underpaid. In addition, deductions made for superannuation were not put into his super fund, nor were contributions made to the compulsory super fund. Sadly, none of the workers joined the union; they had been warned off. When my constituent pursued his claim for underpayment of wages, the employer unilaterally changed his hours of work and made him a casual to 'teach him a lesson'. This is a brave new world of industrial relations which is leaving workers unprotected, insecure and at risk. Our Prime Minister refers to 'labour market flexibility'; what he means is worker dispensability.

I now turn to my electorate. Kurna is the most southern metropolitan electorate and is named after the Aboriginal people who lived on the Adelaide Plains. This is an area rich in Aboriginal landmarks, particularly the Onkaparinga River, which is a women's place; Ochre Point, one of the richest sources of ochre, traded extensively by the Kurna people; the Aldinga Washpool, used for the tanning of skins; and of course the fertility sites at Moana, still used I understand by Aboriginal and non-Aboriginal alike for their traditional purposes. At Port Noarlunga and Port Willunga are important sites in the Tjilbruke Trail. One thing is for certain: Kurna contains some of the most beautiful parts of the metropolitan area and, as the shadow Minister for the Environment, I know I am off to a head start, representing an electorate which contains more than 30 kilometres of the best beaches in Adelaide; the mouth of the Onkaparinga, our second largest river; and the Aldinga scrub, the last remnant native coastal vegetation in Adelaide; and just over the border stretches the tail end of the Mount Lofty Ranges.

It is fair to say that the overwhelming majority of locals care deeply about the environment. In many cases it is what has attracted them to live in the south. Needless to say, local environment groups are well organised, hard working and active, putting in many hours of voluntary work to protect their territory. In particular, I mention the Southern Districts Environment Group, the Friends of the Onkaparinga Park, the Friends of the Aldinga Scrub and the Friends of the Willunga Basin. On the edge of the metropolitan area, Kurna shares the problems and concerns that all communities so located have.

The number one issue is employment; quite simply, there are not enough local jobs, and unemployment has stayed considerably higher than the State average. Despite extravagant promises to create southern jobs before the 1993 State election, precious little has been done to redress this. It remains the biggest concern of my constituents, and I make an offer similar to the one made by the Opposition Leader: as the local member I will work cooperatively anywhere and at any time with the Government to create employment in the south. In that context I offer my strong support for the proposed pipeline to take waste water from the Christies sewerage plant to the McLaren Vale vineyards.

Health too is a major local concern. Today's *Southern Times* front page runs with: 'Health service besieged'. Quite simply, the Noarlunga services are stretched. There are not enough doctors, and the Noarlunga Hospital needs an upgrade

and an extension to its services, as was promised by Labor at the election.

Naturally enough, transport is an important issue for people living on the edge of the city, especially those living in the Aldinga and Sellicks Beach areas. While much still needs to be done, including the introduction of a common ticketing system for people in those suburbs, I do commend the Minister for Transport on the improvements in public transport that she has introduced into this community. I know that they are appreciated. In addition, in those areas of Aldinga and Sellicks Beach, there is a great need for sewerage to be connected. There are large slabs of what is substantially an urban area where there still is no mains sewerage.

In the area of education, Kurna is well served by excellent public and State schools, despite suffering under a culture of cutbacks. While some improvements are now filtering through, following the Premier's back down over the head of the former Minister, schools are still worse off than they were. Every school has unfulfilled physical and educational needs.

There are many things one could say on an occasion such as this. I shall finish on this note: I am very proud to represent the electorate of Kurna in this place. However, I know that I am not the only one representing my community. There are literally thousands of local people committed to making their community a better place. I think of the local members of council, led by the indefatigable Ray Gilbert and his energetic wife, the lady Mayoress Edith Gilbert. I think of all the members of the committees that run the numerous sporting, recreation and community clubs, the executives of the neighbourhood watches and environment groups, the activists in all of the senior citizens groups, the neighbourhood centres, the school canteens, church auxiliaries, the self help groups, the small business groups, and the arts groups such as the Southern Youth Theatre Ensemble on whose board I proudly serve; and especially I think of those selfless individuals who are carers 24-hours a day, seven days a week with little or no respite. I think of all those people who value community, who put others before themselves and who give the lie to those who believe that self interest is the only motivation.

The SPEAKER: In calling the member for Gordon, I remind the House that it is the honourable member's maiden speech.

Mr McEWEN (Gordon): It is with a great deal of pride that I rise this evening to speak to the Address in Reply. It is a privilege to be part of the Forty-Ninth Parliament, and I come here to do many things. One of them is to build friendships over the next four years and to further friendships I have already made with people on both sides of this House in other ways and at other times. I appreciate the wink from the member for Norwood. I come to make a contribution as an Independent. This afternoon, when I crossed the floor proudly with the Liberal Party, the member for Peake asked me, 'What are you?' I inform the member for Peake that I am an Independent, which means that on every issue in this House I will vote with my conscience and nothing else, because when I go back to my electorate I do not have the privilege of hiding behind the old excuse that it was the Party line.

I am proudly Independent. I will proudly vote on my conscience on every issue. I thought about that as I prepared for this two week sitting. I thought about the resources I needed, and I had the audacity to ask for some. I learnt very quickly about the media, and I received some very interesting

correspondence. In fact, I received a letter tonight, which I read during dinner, from a lady who told me that I should rely on providence and that providence would see me through. I thought of my Great Uncle who had a bullock team. He was once told by a Minister that he should rely on providence. He was promptly told that providence was the worst bloody bullock in the team. Prosperity and growth is what I wish for this State, because without it I will not be able to deliver what I promised I would attempt to deliver to the electorate of Gordon. So, I come here first to contribute to the prosperity and growth of this State. I come here wishing to live in a society—not in an economy.

I am post Hilmer. I heard someone this afternoon speaking post Hilmer, but I know that tomorrow they will vote on a Bill that is very much Hilmer. I come here to redress some imbalances. I know that rural South Australia has paid a disproportionate cost for the economic rationalism of the past four years. I came here first, though, to add stability to the State. Without stability we cannot hope to redress such issues as our credit rating. On being elected I talked to the Premier about the fact that I came here first to contribute to stability—not instability.

Then I spoke to the Premier about an address that he gave to the South Australian Chamber of Commerce and Industry in which he talked about security on page one and promoted insecurity by talking about an early election on page two. I will honour my pledge. I come here to offer stable support to this State.

I believe that much of what we do in this Chamber is not divided by philosophical underpinnings; I believe that much of what we do is mechanistic and administrative; I believe that in much of what we do we can take out the rhetoric and simply get on with the business. We do not need politicking in respect of many of these issues. We need leadership; we need bipartisan leadership; and we need genuine bipartisan leadership without the sting in the tail. If we are committed to bipartisan leadership, I challenge both sides to take the sting out of it. On key issues we need to show that we have the capacity to be statesmen. I have been amazed over the past two weeks at how much time has been spent on Anderson and on who would become Speaker. To me, that was all politicking.

I come here to focus on the huge number of Bills on which I need to make a conscience vote during the next four or five days. I want to contribute and to help shape South Australia's future. McKinsey studied regional Australia in decline, and he identified one key characteristic of all regions in decline: lack of leadership. That one thing stood out above all the others. I have had the privilege over a number of years to exhibit leadership within my community. I hope that now I can contribute by providing some leadership at State level.

I come here to represent the electorate of Gordon, an electorate with an interesting political history since the war. Its first representative since the war was an Independent in Fletcher, then Ralston and Burdon were both Labor, and then Allison came as a Liberal. In his first address to this Chamber he made members very aware of the fact that he came as a teacher and a union member. He then set about to prove what local members are really all about, and for many of his years he worked the electorate truly in a bipartisan way.

I come here with a vision for Gordon. As I said earlier, part of that vision is to put to rights and redress some of the imbalances that we have suffered over the past few years. The first and most alarming of those is age care. Age care is at crisis point in my community. Too many of our old people are shipped 100 kilometres away and are resident in hospitals

outside of Mount Gambier. Casemix has no conscience; it is destroying older families in my community. Unfortunately, this State Government helped to contribute to that. One might well argue that it is a Federal Government responsibility. Unfortunately, when a State Government closes a 210 bed hospital and replaces it with an 87 bed hospital it takes out of the community an enormous amount of capacity. The community is suffering, and it is angry.

I come here to talk about opportunities for our youth. Last year, this Parliament talked about opportunities for our youth and it funded 1 500 sponsored trainee positions in Government departments. It had already taken the Government departments out of my community. That added insult to injury and, when I pleaded for some of those positions to be given to local government, I got nothing.

I come here to talk about deteriorating infrastructure. The rapid rate at which our infrastructure is deteriorating is amazing, and we find it almost impossible to redress this problem. I come here to talk about water, but only in a minor way. I am only an apprentice to the member for MacKillop when it comes to water, and members would have heard about that earlier this evening. This is a complex and controversial issue, but water is the gold of the twenty-first century. Water underpins the economic prosperity of my electorate and the electorate of MacKillop. It is an incredibly complex issue and, like a number of other matters, it has the potential to divide our community. It can create 'haves' and 'have nots'. We must show statesmanship and leadership, and we must remind ourselves that not only agriculture needs water but also industry and urban communities. I have the privilege of representing the largest urban community outside of Adelaide. Members will hear much more from me about these issues over the next four years.

I give an example on infrastructure. The State Government set about to repair what was described locally as a goat track. It is actually a major arterial road from Mount Gambier through the border to Casterton. The Government funded half of it but it did not do one half of it: rather, it has done little pieces all along it. So, as you drive along the road you go from old to new, and it is a very dangerous set of circumstances.

I need to tell members a little about who I am and what I stand for. If I am to build friendships, I need to expose a little of myself. I am a student of Covey. To me Stephen Covey is bedtime reading and, for those of you who have not read *The Seven Habits of Highly Effective People*, I suggest that you put it on your Christmas shopping list. Covey says 'Be proactive.' The first of the seven habits is to be pro-active. There is no-one in this Chamber who is not pro-active. If you were not pro-active you would not be here. Be pro-active, steal the day. Sun Tzu, the world's greatest warrior, would have said, 'Steal the day.' He would also have said, 'Burn bridges and take no prisoners.'

Members interjecting:

Mr McEWEN: Thank you; some members did understand that, although it was straight through to the keeper with others. However, that is okay. The second habit is to begin with the ends in mind. I did that 25 years ago. I set out then with a goal to be in this place, and for 25 years I walked down that road to find some three short months ago one huge blockage. I turned back, but I steeled myself again because I was continuing. Because I had to begin with the ends in mind, I knew where I wanted to be.

The next of the principles is 'First things first'. How do I now get there? I was not deterred by the blockage. I turned

back, I marched a different road and to my mind I can proudly say that the result was a far more satisfying one.

The next principle is 'Think, win win.' I appealed to members earlier tonight to take some of the politics out of issues. I am saying, 'Think, win win.' That is what leadership is about and that is what statesmanship is about. We should seek also to understand. We must seek first to understand and then to be understood. It is difficult to take the time to seek first to understand. It is something that does not come naturally to me, but I will make an effort. I will seek first to understand.

However, members need to understand a little of me. I am the eldest of 10 children. My twin sister was born soon after. My mother was so pleased about me she had another one straightaway! There were eight more to follow. I wonder whether my father ever knew what was causing it. So, in humble but happy circumstances, 10 of us came into this world, and we experienced education in a very small primary school where the worst possible thing the principal could hear was, 'The McEwens are not coming today.' On some days we were more than half the school population.

I had to leave home at the end of grade 7 because my secondary education meant boarding school. I enjoyed those days, but I would never support my wife's wish that my sons follow in that regard, which meant Marist Brothers Agricultural College, Sacred Heart College and then Adelaide University, where I obtained a degree in agricultural science. I trained to be a plant breeder. I was successful, and even today the people who trained me still hold the only two plant breeding jobs in South Australia.

Someone earlier tonight talked about the intelligence that goes into decision-making in terms of education. What was the point of that half a century later? I accepted my responsibility and under conscription found myself in New Guinea as an army sergeant. I had a wonderful time before returning to South Australia, where I worked as a teacher and in TAFE as an administrator. I have spat the dummy on a number of occasions, once to go opal mining and once to start a flower farm.

It is important that members understand a little of me, and with prime questions over the next few months I will try to find out a little about each member because, as someone said to me when I was struggling with relationships early in my local government career, 'If you do not like someone, get to know them better.' It is such a simple way to build a relationship and an understanding.

I will touch briefly on my experience in local government. It has been a proud time for me, as I know it has been for a number of people who are now in this Chamber. People talk about stepping up to this Chamber. I do not talk about stepping up. This is a different sphere, and a sphere that could learn a lot, in some ways—as the member for Norwood would agree—from local government. I had the privilege to chair a council for 10 years, to chair a regional association and to chair a regional economic development organisation for the Federal Government, and I was always amused in that regard by how this State, in particular, seemed to have some abhorrence for those Federal Government regional development structures. And yet, if you looked at it, they were enormously complementary.

In closing, in telling a story about myself, I can report that I have two sons, Lincoln and Lachlan. If I had gone through a parenting course, I would never have called my two sons Lincoln and Lachlan. I chose to do so because, to me, the two greatest figures in history are Lincoln and Lachlan—obviously, President Lincoln and Lachlan Macquarie—

because they are two people who stood up in the face of tyranny. I now just call my sons, 'Hey you.'

I now return briefly to His Excellency's address and point to the fact that he talked about expanding the Ministry. I have indicated that I will be supporting that, but I will be challenging the allocation of some of the portfolios. It is one thing to build a job for 10 Ministers and five junior Ministers: it is another thing, though, to begin with the ends in mind and build the jobs around rational synergies. I am concerned about lack of synergy in some of the portfolio allocations—and, in particular, water. Water is an economic resource first and an environmental resource second, and we must ensure that we put the right spin on managing that policy setting.

I purposely asked a question today about ownership of forests. I do not see the forests as a Government enterprise: I see them as a primary resource that underpins most of what happens in my community. I was not happy with today's answer, and I will continue to ask the question.

Regarding economics and economic rationalism, I pointed out earlier that I wish to live in a society, not an economy. I have watched with some pleasure this State challenging some of the economic rationalist settings, particularly in relation to car tariffs. There are many more which we must challenge because, quite frankly, I believe that we are prepared to pay a premium to keep jobs in this country and to keep our rural communities alive.

We are, as a society, prepared to pay a premium over and above the economic rationalists' cheapest bottom line. If we are prepared to pay that premium, we must say so. We must say that we will pay an extra few dollars to have a car built locally, and we must say that we will pay an extra few dollars to keep an extra policeman or an extra teacher in our rural communities—because many times you take them out one by one, but the community implodes.

I have found it impossible, over many years, to get someone to undertake a decent study of the community impact before Governments take jobs out of rural communities. Australia will pay a modest price to keep jobs and communities viable.

Let me turn to local government. In local government we have had enough economic rationalism. I had the privilege to work through an amalgamation process with a neighbouring council before restructuring commenced. We chose to do it for very good reasons. Our community chose to do it: it was not forced upon us. I put it to you that no community should have amalgamations forced upon them. It is genuinely a level of democracy separate from State Government, and State Government ought not interfere in that level of democracy. I will strive to enshrine the independence of local governments in legislation and, in the meantime, I appeal to all of you to let those amalgamations that have gone through proceed and wait until we see whether or not the benefits are delivered before we force any more.

The council I have left has a five year business plan. That council promised rate reductions and increases in services. Those promises now need to be measured before we subject anyone else to the same course of action. At the end of the day, it may not be the best course of action, and then we may gladly say that we put only some through it. Austerity is one thing; obsession is quite another.

I ask the State Government why it paid a \$4 million premium to choose to outsource the financing of the Mount Gambier Hospital. Was it because it is obsessed with economic rationalism? The fact remains—and one can see it in the Auditor-General's Report—that BZW outsourced the funding of the Mount Gambier Hospital at a net cost to the

State Government of \$4 million. It does not seem to me to be a good idea. On the revenue side, I note that the Premier has advised one of my constituents in the following terms:

While I acknowledge your views on payroll tax, I hope you understand that, because such a large amount of essential services are funded from this source, it is not possible to immediately contemplate a fundamental change such as the abolition of this tax.

The key words are 'immediately contemplate'. I look forward to the day when we do redress many of the tax inequities that exist in our community.

In closing, I turn to my vision for the future not only for the electorate of Gordon but for the State. That future is in our hands, and that future is in statesmanship. That future is in many things, such as information technology. I was pleased to have a home page during the last election and was surprised at the number of hits I received. We must come to grips with information technology. I am amazed that this place is not even wired. I am surprised at the lack of comprehension of information technology in this Chamber. It is a powerful tool, and we must embrace it.

Information technology allows us to embrace the concept of a global village. It takes out of so many of our relationships in the international marketplace all those intermediaries that simply add to the cost. Information technology allows us to embrace the global village and put intimacy into some of our products and, in so doing, add value. It allows us to build a direct relationship with the final consumer, and in so many ways you can add so much value by simply establishing that relationship. We need to lift our eyes above the horizon, to begin with the ends in mind. We as a Parliament need to define the richly imagined future for our State and then, with leadership and statesmanship, we must together deliver it to the people of South Australia.

Mr De LAINE secured the adjournment of the debate.

ELECTRICITY (MISCELLANEOUS) AMENDMENT BILL

In Committee (resumed on motion).
(Continued from page 23.)

Clause 3.

Ms HURLEY: Previously I received the answer to a question about the definition of 'of' as opposed to 'owned and operated by'. I also wonder about the change to the definition in the transmission and distribution system to include 'part of a system'. What is the difference between 'a system' and 'part of a system', and why was that change necessary?

The Hon. R.G. KERIN: The reason for that is to cater for the fact that, with the way we are heading, we will sometimes have small distribution systems, such as shopping centres and whatever else. So, 'part of' is required to cover those smaller parts of systems that will need to be picked up.

Mr LEWIS: Can the Minister please provide a clearer meaning of two of the definitions, first, 'contestable customer'? Clause 3(a) refers to 'a customer classified by regulation as a contestable customer', but that is gobbledygook: it is tautology, and I would like to know exactly what we are talking about as a contestable customer. What class of customer is that, who will be eligible and who will be ineligible? What does the term mean?

The Hon. R.G. KERIN: With respect to 'contestable customer', basically, in nearly all cases, that will be by the timetable for contestability under electricity: from 29 March 1998, it will refer to users above 20 gigawatt hours. There-

fore, 26 of our very large customers in this State will be contestable from then. There is a timetable which takes us through to 2001, and along the way various size customers are picked up as contestable.

Mr LEWIS: It is interesting to me that it is simply to be done by regulation. Why do we not specify in the legislation what that reducing scale of consumption per annum will be so that the Parliament can make the law rather than have the law made by regulation and thereby enable it to be considered by members? Most members are probably not interested, but I am. I am not at odds with the Minister, but I make the point that, the more that is written in statute, the less the risk of anyone claiming that we are hiding something.

My next inquiry relates to the definition of the pricing regulator. Here we have the definition of 'pricing regulator' as meaning the person holding the office of pricing regulator under part 2 and, if we go to the principal Act and look at part 2, we find that that is the Minister. So why do we not up front say it will be the Minister taking advice from whomever the Minister takes advice from, rather than give the notion that there is some fancy other person out there who will be doing it? I just think it is a bit quaint again to talk in terminology that is tautological.

The Hon. R.G. KERIN: Division 2 provides that the pricing regulator may be a Minister of the Crown or that some other person will be appointed by the Governor. There is flexibility there, but it does not necessarily involve the Minister. With regard to the first question, I can supply the honourable member with a copy of the timetable. The timetable is not contained in the legislation but will be in the regulations because the final date—and this is the case with the Gas Act—is subject to review so that Governments across Australia can have flexibility towards the end if they feel they are either not ready or are ready and want to bring forward the date. It is all about flexibility.

Mr LEWIS: Will consumers in a group be able to do as they can do in the telecommunications industry, that is, aggregate the value of their tariffs to the point where they qualify as a contestable customer. This would enable the people, the businesses and the communities of the Mallee, for instance, to aggregate their consumption and the tariff they will pay, become one customer and bill their separate corporate shareholders who are the consumers, taking a block purchase for their communities and their own use and obtaining discounts, thereby enabling them to establish a localised market at a lower tariff to ramp up the speed at which they can attract investment and development into that region.

If that is possible, it will be a great advantage to regional South Australia. Where rural areas have the opportunity to increase the number and diversity of the types of enterprises within their regions, they have the opportunity of forming these companies, buying the electricity in blocks in the fashion to which I alluded in my second reading speech, by taking a substantial proportion of what they know they will need well in advance at great discount and buying add-ons to that as they come closer to the time of consumption, for which they would expect to pay more. Hence my reason for asking about those two definitions. In the first instance, can they become a contestable customer and, in the second instance, will the pricing regulator—the Minister or the person he appoints to do the job—allow them the discretion of bidding on behalf of the individual consumers of their corporate interest?

The Hon. R.G. KERIN: Some of the issues identified by the honourable member reflect the reason why we have a

contestability timetable. The major reason for that is to ameliorate shocks in pricing changes along the way. As far as regional customers go, that is one of the major reasons why we have done this. Customers in the city area would find it a lot easier to group together for this type of thing through a single meter than businesses in country areas which are traditionally spread out a lot further. That is the reason for the timetable. You cannot aggregate until you become contestable. Once you are contestable, you can then aggregate. So, as those businesses become contestable—

Mr Lewis: They can't even buy the wires in a certain area.

The Hon. R.G. KERIN: If you want to buy wires, you can enter the market like anyone else can enter the market. But it would be a very expensive—

Mr Lewis interjecting:

The CHAIRMAN: Order!

The Hon. R.G. KERIN: If they were willing to do that, they would become part of the market, not contestable customers as such. They would become suppliers.

Ms GERAGHTY: I seek to clarify the position in regard to 'owned and operated by'. Have there been any indications from any interested persons who do not own or operate? Is that part of the reason for the change?

The Hon. R.G. KERIN: The reason for the change is to clarify the position because 'of' was found to be ambiguous. 'Owned and operated by' covers the range of people who either own or operate it, but 'of' was ambiguous as to who was referred to.

Clause passed.

Clauses 4 and 5 passed.

Clause 6.

Ms HURLEY: I refer to the pricing regulator in new section 14A. In his second reading speech the Minister says that from July 1999 the Australian Competition and Consumer Commission will take over the role of regulator of transmission network pricing and that the Government is considering the overriding matter of derogations from the code which currently provide that South Australian transmission pricing will continue under South Australian Government control until the year 2010. Can the Minister explain why the South Australian Government wants to maintain control until 2010 and can he give some indication of his confidence that will occur?

The Hon. R.G. KERIN: The year 2010 was the original intention but it has become obvious that the ACCC probably will not accept that, so we are probably looking at 2002, which looks acceptable. Why we are going to 2002 is to try to get as far as we can without any price jolts along the way, and 2010 does not seem acceptable to ACCC.

Ms HURLEY: Therefore, is the Minister implying that once the ACCC takes over significant price jolts will occur?

The Hon. R.G. KERIN: We would always assume that the ACCC would do the correct thing. Certainly, there is no expectation of price jolts as such, but we are at the mercy of the ACCC. You would always assume that a body like the ACCC will treat us fairly.

Clause passed.

Clause 7 passed.

Clause 8.

Ms HURLEY: New section 35A(3) provides that the pricing regulator 'may from time to time publish principles and guidelines that he or she has observed'. I wonder why that is 'may' rather than 'must': is it expected that sort of information will be made public?

The Hon. R.G. KERIN: We will have a pricing order which we expect to run for, say, five years and this allows that to be altered as time goes by, so we will start with a pricing order, anyway.

Mr LEWIS: My inquiry is about the network services pricing where new section 35A will provide that the pricing regulator can fix the prices for network services. In the principle Act, 'network services' means:

- (a) the transmission and distribution of electricity between electricity entities and from electricity entities to customers (including connection to a transmission or distribution network);. . .

Earlier, I referred in particular to my electorate (but there are other places in rural South Australia), where there is a dead-end on the line. Beyond the substation at which the power is broken down from high tension to a reticulated voltage (which is much lower), if all the customers in that ensuing network decided to aggregate their consumption beyond that point and have it metered at that point, does it mean that they would then become eligible to be contestable customers? Alternatively, under the definition in paragraph (a) '(including the connection to a transmission or distribution network)', they are entities to customers. Could they become eligible to obtain the discounts to which I was referring by achieving that status?

I think the Minister will probably understand what I mean, in that there would be no reason in my judgment technically why, where there is no more than one source of supply into a grid which is dead-end, all the customers in that region could not say, 'We will aggregate our demand and buy as one lump from the national supply as a contestable customer' and then break it down among themselves according to what they use by their own meters supplied to their shareholders, or whatever. However they want to arrange it is up to them. It is not as if it is in the metropolitan area where in every instance the source of supply is from more than one end. There is no end. If there is a break in the line somewhere, it means that the power comes from the opposite direction until the break is fixed. There is not much interruption to the supply: it is brief until the short-out is fixed.

I see a benefit in permitting that, and I ask the Minister if that definition of 'network services' as provided in the principal Act, plus what I have already spoken about, will enable that aggregation to occur?

The Hon. R.G. KERIN: I can see what the honourable member is getting at. Quite a few qualifications would need to be made. I take it that the honourable member is referring to the situation of a substation in the Mallee and those people supplied beyond that—

Mr Lewis: Yes.

The Hon. R.G. KERIN: My understanding is that to allow that to happen there would need to be one metered entity because there is aggregation only after you become contestable. It is a complex issue and it would need to be worked out.

Mr Lewis interjecting:

The Hon. R.G. KERIN: It is not up to me to sell them the wires. It is a complex matter. I know what the honourable member is getting at. They are not contestable under the normal situation of electricity leaving the substation. For them to be contestable one entity would be required to take the electricity, unless they are contestable under the time scale. But if they do not qualify as contestable customers then just grouping everyone past a certain part on the transmission would not make them contestable. It would not allow them to aggregate.

Mr LEWIS: I ask the Minister whether he would be willing to look into that and ascertain how it would be possible for people in rural areas of South Australia to buy off the dead-end lines beyond the substations block by block, consumer group by consumer group and become contestable to enjoy those advantages and thereby rapidly increase the rate at which we can expand our regional economies through the benefits that come. I am not asking the Minister whether or not he will do it but how long it will take him.

The Hon. R.G. KERIN: There may be cases where it could be done. If you decided to do that you are really throwing the contestability timetable out the window and we are back to the present situation. That is what has been decided. I am willing to discuss the matter further with the honourable member but it is a complex issue. There may be opportunities for that to happen but it would not happen across the board whereby you could just push rural communities into it. That is dead-set against the contestability timetable and the guidelines. If the lines were owned, access would have to be given to those other lines as well.

So, we would need total cooperation by everyone past that point and to know that they were happy to buy off the one supplier. It is a complex issue. A lot of issues would need to be addressed, but to go right across the board would break the rules as they are set. I move:

That the time for moving the adjournment of the House be extended beyond 10 p.m.

Motion carried.

Clause passed.

Clause 9 passed.

Clause 10.

Ms HURLEY: This clause changes the immunity of the electricity authorities from an exemption from liability in civil liabilities for failure to supply electricity and now gives an exemption for liability in damages for partial or total failure unless that is due to bad faith by the corporation or negligence by the corporation. People to whom I have been speaking in the industry are somewhat concerned that this may relate to an issue I spoke of earlier when there has been a lack of expenditure on new equipment and a decrease in the level of maintenance of existing equipment and there is concern that, as we enter the national electricity grid and there is pressure on pricing, this situation may be exacerbated. Naturally this is of great concern to people in the industry and ultimately to consumers.

The Minister's second reading explanation says that this adds immunity in relation to variations in supply, otherwise known as power surges, to the present immunity in relation to partial or total failure to supply electricity. In doing so the immunity ceases to be absolute and excludes anything done or omitted to be done by the corporation in bad faith or negligence. I seek to be assured by the Minister that any failure by those authorities to provide adequate and up to date equipment, or any failure by the authorities to maintain that equipment properly, constitutes bad faith or negligence. That will not be the basis of any of those authorities claiming immunity for any damages to any business or consumer for the failure of their electricity supply.

The Hon. R.G. KERIN: The answer really is that it is covered because it says that anything 'done or omitted to be done by the corporation in bad faith or to the negligence of the corporation', which covers what the Deputy Leader was asking. The reliability side of it, to which the Deputy Leader is referring, will be very much a condition of the licensing and will be picked up there as well. I have been assured that the wording is such that anything done in bad faith, such as

very poor maintenance, will be picked up by this, to avoid what the Deputy Leader is talking about.

Ms HURLEY: As an additional point of clarification, will the Minister explain the difference in the wording of the principal Act, which refers to authorities not having civil liability and this one where the authorities are not liable in damages? What is the difference between 'damages' and 'civil liability'?

The Hon. R.G. KERIN: I am legally advised that there is no difference. It is a modernisation and matches the language in the national legislation.

Mr LEWIS: Let me make it plain that throughout this debate I have cast no aspersions, nor did I mean to cast any aspersions, and nor should anyone infer that I have implied that any aspersions can be cast on this Minister or any of the current personnel in the Electricity Corporation in South Australia. However, they will not always be there and nor will this Minister. Having made that remark, let me draw attention to the explicit rearrangement of these provisions on two fronts.

First, having just learned that it is for the sake of national standards and so on, I must say that although there may be some benefits in that, I am always apprehensive about following so-called national standards and the like. It is part of the conspiracy of the Left to get everything so even that the States become redundant and the State Parliaments become irrelevant. The argument put is that, if everything is the same nationally, why do we need State Parliaments, so we can abolish the State Parliaments and thereby abolish the States, and that makes it possible to get rid of the Senate. To my mind that is a detrimental approach in most legislation unless there is a very considerable, demonstrated benefit from the point of view of national defence or some other reason for so doing.

The second and more important point in this case can be found in clause 10(1)(a), which provides:

an electricity corporation (within the meaning of the Electricity Corporations Act 1994) is not liable in damages to any person for the cutting off of the supply of electricity to any region, area or premises in pursuance of this Act;

Frankly, we could put a full stop there, because all the corporation has to do is simply say, 'We cut it off. It did not fail.' The second part is redundant. If the corporation decides to state that the failure was not a failure but that the power was cut off, it cannot be sued. I am right in the Minister's face about this: I reckon that is bodgie.

We are seeking to make this a private corporation that is accountable for the supply of the stuff called electricity and it must be accountable for the quality of that electricity. For a long time in recent history, ETSA's power has been pretty dirty. It is sort of lumpy and square in the sine curve. It is not smooth as it should be, if one knows anything about alternating current supplies. It is not good in many parts of the State, especially in the regional areas.

It is not good power to use in sophisticated modern electronic equipment because it wears out the circuits with the resulting uneven excitement of the circuitry. Anybody who installs sensitive electronic equipment without putting into the circuit before the equipment what is commonly referred to as a line tamer to clean it up and make it safe and acceptable to prevent power surges is nuts. If they read the fine print of their insurance policy, they will find that they are not insured. As consumers, they have to take reasonable steps to protect their equipment. They cannot expect someone else to do it.

It is like driving a motor car down the street and not taking care as to what might be coming from T-junctions and cross streets in the way of other traffic that hits you, and then blame the automobile manufacturer as though it was the automobile manufacturer's fault that you were involved in a collision or some other disaster as a result of driving that motor car down the street.

Having explained that by analogy to the Committee, I come back to the point that, if we are to make contracts as between the electricity corporations that supply the stuff and the consumers that buy it, it should be possible for us to put in the legislation reasonable provisions for damages where damages result as a consequence of bad faith or negligence.

Inserting subclause (1)(b) does nothing. Let me repeat where I started on this point. All the corporation has to do is say, 'We cut it off.' If they cut it off, you cannot sell; but, if there was bad faith or negligence, too bad, because they said, 'We cut it off. It was not bad faith or negligence; tough!' I therefore say to the Minister that it is a bit sad that we have not placed responsibility on the supplying corporations. If, as the Deputy Leader says, things have been allowed to run down, that is incompetent management on the part of the people who have been charged with the responsibility on two counts. First, they should have publicly stated that they did not have sufficient resources in their respective locations to maintain the equipment at a reasonable standard and, secondly, they have not budgeted properly within the corporation to make sure they can maintain it. It is some combination of either or both.

It is not an excuse simply to say, 'Oh, we have let the maintenance run down, so we cannot be sure of what you are getting.' That is like someone at a service station where you buy your fuel saying, 'We have not maintained the fuel pumps, so we will not guarantee that you will get the fuel, but we will still charge you for it. And we are not going to guarantee the quality of it when you do get it, but we will still charge you for it, at the price we set.' That is just not on. If we are to have a privatised arrangement, the people who supply it must be capable of being held liable for the supply of what they say they are supplying.

The Hon. R.G. KERIN: I refer to the first point that the honourable member made about consistency. When we talk about consistency with the National Electricity of South

Australia Act, it is actually an Act of this Parliament with which the language is made consistent. Perhaps I should have made that clearer. The other point refers to subclauses (1)(a) and (1)(b). Subclause (1)(a) refers pretty much specifically to the emergency situation, where for purposes of major work a line would need to be closed down, as we often see with notices that go out for major maintenance and so on. That is what is intended in subclause (1)(a). The licence conditions will pick up on what they can and cannot say they will do. To put subclause (1)(b) into some perspective, when something goes wrong under subclause (1)(b) they can say, 'Oh no, that was subclause (1)(a); we turned it off.'

Certainly in the case of power surges that will not be possible, and hopefully any differentiation between a blackout because of bad faith by the supplier versus a cutoff for, say, bushfire purposes would be picked up in the licence conditions. So, subclause (1)(b) really exists to pick up on things such as power surges and blackouts, because without it, if we put the full stop where it was suggested, it would let them off, as much as an Act could; I dare say the courts would have something to say. Without subclause (1)(b) it does not pick up matters such as power surges and failures because of poor maintenance on the part of the transmitter.

Ms GERAGHTY: In the case of liability, would that cover also apply if the work was contracted out by the corporation? Would any work contracted out by the corporation be covered under that subclause?

The Hon. R.G. KERIN: I take it that the honourable member is talking about a situation where a contractor is doing work on the line. That would not matter; it would come back to the actual operator. Whether they used their own staff or someone else's, that would have to be handled internally by them. The responsibility would have to go back to the transmitter. It would not matter whether they were using their own staff or contractors; it really is about the supply issue, not who is working on the line or who may cause it to happen.

Clause passed.

Title passed.

Bill read a third time and passed.

ADJOURNMENT

At 10.16 p.m. the House adjourned until Thursday 4 December at 10.30 a.m.